REPORT

OF THE

Bombay Millowners' Association

For the year 1927.

(*Established* 1*st February* 1875.)

PRESENTED TO THE ANNUAL GENERAL MEETING
HELD ON 12TH MARCH, 1928.

00133730

Bombay :
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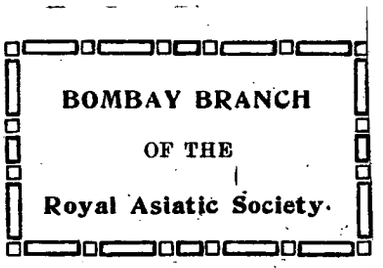
1928.

Presented

by

JEHANGIR BOMANJEE PETIT.



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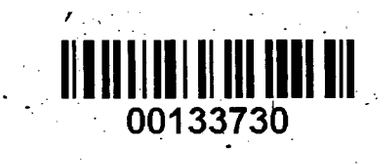
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THE BOMBAY MILLOWNERS' ASSOCIATION.

REPORT FOR THE YEAR 1927.

LIST OF CONTENTS.

		PAGES.
SECTION I.	Proceedings of the Annual General Meeting held on 12th March, 1928, etc.	i—xv
SECTION II.	Foreword—Abstracts of subjects dealt with by the Committee during the year—Accounts of the Association for the year ending 31st December, 1927.	1—118
SECTION III.	Correspondence	119—487
SECTION IV.	Financial Statement of the Government of India for the year 1928-29	489—501
SECTION V.	Statistics	503—567
SECTION VI.	Rules and Regulations of the Association, etc. ..	*i—xlix*

CONTENTS.

PAGE.

Accidents in the Card Room 56, 258

Accounts of the Association 116

American Cotton—Fumigation of 67, 280

Anti-Malarial Measures in regard to Mill Tanks 36, 206

Arbitration by Indian Chamber of Commerce, Calcutta 111, 485

Assessment of Cotton Mills for purposes of Municipal Taxation 28

Association—Membership of the 5

Association's Representatives on public bodies :—

- Bombay Back Bay Reclamation Scheme, Advisory Committee of 7
- Improvements Committee 6
- Indian Central Cotton Committee 6
- Infant Welfare Society 8
- Legislative Council, Bombay 5
- National Baby Week 8
- Port Trust 6
- Railway Rates Advisory Committee 8
- Smoke Nuisances Commission 6

Auditors of the Association 8

Bills and Acts :—

- Bill further to amend the Indian Coinage Act and Paper Currency Act .. 95, 412
- Bill further to amend the Indian Evidence Act 100, 426
- Bill further to amend the Indian Limitation Act 102, 432
- Bill further to amend the Indian Income-tax Act (First Amendment) .. 81, 381
- Bill further to amend the Indian Income-tax Act (Second Amendment) .. 87, 396
- Bill to establish Cotton Markets in Bombay 70, 289
- Cotton Yarn (Amendment) Act 23, 167

Bills of Lading—Uniformity of 99, 423

Bobbins and Pirns—Import Duty on 75, 308, 315

Card Room—Accidents in 56, 258

Chairman, Deputy Chairman and Committee of the Association 5

Coal :—

- Purchase of Bengal Coal by Indian Mills 104, 447
- Railway Freights on Coal 106, 453

Coinage Act and Paper Currency Act—Bill further to amend 95, 412

Commercial Court—Rules of 102, 443

Commercial Examination Scheme of the Indian Merchants' Chamber 111, 484

Cotton :—

- Cotton Markets Bill, Bombay 70, 289
- Cotton Merchants' and Muccadums' Association—Proposed amendment of trade rules regarding weighments of cotton bales and allowances in case of burst bales 71, 294
- Kumpta Cotton—quality of—during last Season 72, 298
- Watering and other malpractices in Ginning and Pressing Factories 74, 301

PAGE.

Cotton Stocks—raw—held by Bombay Mills on 31st August 1927 114

Cotton Transport Act—result of the application of—on Bombay and Madras cottons 73, 300

Cotton Textile Industry—Protection for :—

Publication of the Tariff Board Report 12, 124

First decision of the Government of India 13, 127

Dissatisfaction with Government's decision—All-India Millowners' Conference—Protests by the Association—Meeting with the Hon'ble Sir George Rainy 14, 133

Deputation to the Viceroy 17, 148

Propaganda Work by the Association 17

Debate in the Bombay Legislative Council 18, 149

Government's revised decision—Association's criticism thereon 18, 156

Cotton Yarn Amendment Act, 1927 .. .. 23, 167

Creches in Mill Areas—Provision of 39, 218

Deductions from Wages or Payments in respect of Fines 78, 357

Delegation from the International Federation of Textile Labour Unions—Report by Messrs. Shaw and Brothers 45, 234

Demand Draft by Banks—endorsement on 98, 421

Development Department—Industrial Housing Scheme 40, 221

Donations 113

East India Cotton Association :—

Hedge Contracts 64, 276

Trading Hours—Removal of restrictions regarding 65, 277

Economic Conference—International—Geneva 59. 265

Electoral Rules—Bombay—amendment of 103, 445

Electrical Inspection and Electrical Testing at Government Electrical Laboratory—Levy of Fees for 29, 181

Eleventh Session of the International Labour Conference 62, 274

Endorsements by Banks on Demand Drafts 98, 421

Evidence Act—Proposed Amendment of 100, 426

Factories Act :—

Exemptions thereunder in Bombay 53

Amendment of Rules by the Government of Bombay 56, 256

Finances of the Association—Amendment of Rule 94 9

Fire Brigade Staff—Refusal of admission to mills 110, 479

Fire Insurance Rates for Cotton Mills—Question of agency commission 33, 196

Floods in Gujerat 112

Freight Rates on Coal—Railway 106, 453

Fumigation of American cotton 67, 280

Fumigation of American cotton—Reduction in charges 69, 287

Gujerat Floods 112

Hedge Contracts 64, 276

Humidification and ventilation in cotton mills 46, 237

Imperial Institute, London—Association's exhibits 110, 473

Import duty on mill stores—Napthol AS, Bobbins and Pirns 75, 308/312/315

Improvements Committee—Association's Representative 6

PAGE

Income-tax Act :—

Proposed amalgamation of incomes of Husband and Wife for Income-tax purposes 92

Bill to amend: (first amendment)—to provide for—assessment in case of partition of a Hindu undivided family or change in ownership of business, profession or vocation—assessment of profits on export trade—conditions requisite for registration of a firm by Income-tax officers 81, 381

Bill further to amend: (second amendment)—to provide for—power to assess individual members of certain firms, associations and companies—procedure in registration of firms by Income-tax officers 87, 396

Income-tax payable on Provident Fund contributions 93. 406

Requisition by Income-tax officer for the supply of particulars of interest paid to depositors 95, 410

Indian Central Cotton Committee—Association's Representative 6

Infant Welfare Society, Bombay—Association's Representative 8

Industrial Housing Scheme of the Development Department :—

Advisory Committee's Report—Association's criticisms thereof 40, 221

Insurance :—

Fire Insurance Rates for Cotton Mills—Question of agency commission .. 33, 196

Support to Indian Insurance Companies—Meeting with the Committee of the Indian Insurance Delegation 35, 201

International Economic Conference 59, 265

International Labour Conference—10th Session—Representatives of India 60

International Labour Conference—10th Session—Report by Mr. G. D. Birla, Employers' Representative.. .. .. 61, 267

International Labour Conference—11th Session—Appointment of Employers' Delegate 62, 274

Japan—Measures for the protection of staple industries 27

Khaki Pugri cloth 109, 468

Kumpta Cotton—Quality of 72, 298

Legislative Council, Bombay—Association's Representative 5

Limitation Act—Bill to amend 102, 432

Loftus Tottenham, Mr.—Interview with 11

Loom Shuttle Guards 58, 263

Markets for Indian Piecegoods in South Africa 25, 177

Maternity Conditions of Women mill workers 39, 218

Meek, Dr. D. B, Director-General of Commercial Intelligence and Statistics—Meeting with 11

Message Rate System of Telephone charges—Proposed introduction of—in Bombay 109, 470

Mill Holidays and Pay Days—1928 115

Mill Tanks—Anti-Malarial measures in regard to 36, 206

Money Orders sent by millhands to their native villages 110, 480

Muccadums' Association—Proposed amendment of Trade rules *re.* weighments of cotton bales and allowances in case of burst bales 71, 294

Municipal Taxation :—

(1) Assessment of Cotton Mills for purposes of municipal taxation .. 28

(2) Water-tax payable by Mills 28, 180

PAGE.

National Baby Week—Association's Representative 8
National Christian Council—Industrial Investigation organized by 39, 219
Napthol AS—Import duty on 75, 308
Packing Conditions for Indian-made Piecegoods 108, 464
Paper Currency Act and Coinage Act—Bill further to amend.. .. .. .. 95, 412
Phonograms—Proposal to introduce—in Bombay 111, 482
Port Trust, Bombay—Association's Representative 6
Power Costs 28
Profit and Loss Statement of the Bombay Mill Industry in 1926 112
Protection of Staple Industries in Japan—Measures for 27
Purchase of piecegoods by the Government of Bombay 108, 467
Railway Freight on Bengal Coal 106, 453
Railway Rates Advisory Committee—Association's Representative 8
Rainy, the Hon'ble Sir George—Meeting with 11
Raw Cotton Stocks held by Bombay Mills on 31st August 1927 114
Smoke Nuisances Commission—Association's Representative 6
South African Market for Indian Piecegoods 25, 177
Stamped Cheque Forms 98, 420
Standing Sub-Committees of the Association 9
Stock Exchange, Limited—Bombay 97, 415
Stocks of Yarn and Cloth held by Bombay Mills in 1927 113
Tariff Valuations :—
(1) Import Duty on Mill Stores—Case of Napthol AS, Bobbins and Pirns .. 75, 308
(2) Cotton Yarn Amendment Act, 1927.. .. .. 23, 167
(3) Tariff Valuations of Mill Stores—Necessity of Director-General consulting the Association every year 77, 323
(4) Tariff Valuations under the Indian Tariff Act 78, 329
Telephone Charges—Proposed introduction of Message Rate System in Bombay .. 109, 470
Tenth International Labour Conference—Representatives of India 60
Tenth International Labour Conference—Report by Mr. G. D. Birla, Employers' Representative 61, 267
Tetanus Accidents 58, 261
Textile Trades Association for the Prevention of Fraudulent Trading.. .. .. 112, 486
Trading Hours—Removal of Restrictions by the East India Cotton Association .. 65, 277
Trade Mission 24, 174
Trade Unions Act—Regulations thereunder for Bombay Presidency.. .. .. 81, 367
Ventilation and Humidification in Cotton Mills 46, 237
Wages—Deductions from or payments in respect of fines 78, 357
Water-tax payable by Mills 28, 180
Watering and other malpractices in Ginning and Pressing Factories 74, 301
Yarn and Cloth Stocks held by Bombay Mills in 1927 113

BOMBAY MILLOWNERS' ASSOCIATION.

ESTABLISHED 1st FEBRUARY 1875.

List of Members.

APOLLO MILLS, LIMITED.
ASSUR VEERJEE MILLS, LIMITED.
BOMBAY DYEING AND MANUFACTURING COMPANY, LIMITED.
BENGAL LAXMI COTTON MILLS, LIMITED.
BENGAL-NAGPUR COTTON MILLS, LIMITED.
BERAR MANUFACTURING COMPANY, LIMITED.
BHAGIRATH SPINNING AND WEAVING COMPANY, LIMITED.
BIRLA COTTON SPINNING AND WEAVING MILLS, LIMITED, DELHI.
BRADBURY MILLS, LIMITED.
BURHANPUR TAPTI MILL, LIMITED.
CENTRAL INDIA SPINNING, WEAVING AND MANUFACTURING COMPANY, LIMITED.
CENTURY SPINNING AND MANUFACTURING COMPANY, LIMITED.
CEYLON SPINNING AND WEAVING COMPANY, LIMITED.
COIMBATORE S. & W. CO., LTD.
COLABA LAND AND MILL COMPANY, LIMITED.
COORLA SPINNING AND WEAVING COMPANY, LIMITED.
CRESCENT MILLS COMPANY, LIMITED.
CROWN SPINNING AND MANUFACTURING COMPANY, LIMITED.
CURRIMBHOY MILLS COMPANY, LIMITED.
DAVID MILLS COMPANY, LIMITED.
DAWN MILLS COMPANY, LIMITED.
EBRAHIMBHOY PABANEY MILLS COMPANY, LIMITED.
EDWARD SASSOON MILLS, LIMITED.
E. D. SASSOON UNITED MILLS, LIMITED.
ELPHINSTONE SPINNING AND WEAVING MILLS COMPANY, LIMITED.
FAZULBHOY MILLS, LIMITED.
FINLAY MILLS, LIMITED.
FRAMJEE PETIT SPINNING AND MANUFACTURING COMPANY, LIMITED.
GLOBE MANUFACTURING COMPANY, LIMITED.
GOKAK MILLS, LIMITED.
GOLD MOHUR MILLS, LIMITED.
HINDOOSTAN SPINNING AND WEAVING MILLS COMPANY, LIMITED.
HYDERABAD (DECCAN) SPINNING AND WEAVING COMPANY, LIMITED.
INDIAN BLEACHING, DYEING AND PRINTING WORKS, LIMITED.
INDIAN MANUFACTURING COMPANY, LIMITED.
INDIAN WOOLLEN MILLS, LIMITED.
INDORE-MALWA UNITED MILLS, LIMITED.
JAMSHED MANUFACTURING COMPANY, LIMITED.
JAM SHRI RANJITSINGHJEE SPINNING AND WEAVING MILLS COMPANY, LIMITED.
JUBILEE MILLS, LIMITED.
KASTOORCHAND MILLS COMPANY, LIMITED.
KHANDEISH SPINNING AND WEAVING MILLS COMPANY, LIMITED.
KHATAU MAKANJI SPINNING AND WEAVING COMPANY, LIMITED.
KOHINOOR MILLS COMPANY, LIMITED.
LAKSHMI COTTON MANUFACTURING COMPANY, LIMITED.
MADHOWJEE DHARAMSEY MANUFACTURING COMPANY, LIMITED.
MADHOWRAO SCINDIA MILLS, LIMITED.
MADRAS UNITED SPINNING AND WEAVING MILLS COMPANY, LIMITED.
MADURA MILLS COMPANY, LIMITED (Madura, Tuticorin and Ambasamudram).
MAHABOOB SHAHI KULBURGA MILLS COMPANY, LIMITED.
MANOCKJEE PETIT MANUFACTURING COMPANY, LIMITED.
MATHRADAS MILLS, LIMITED.
MEYER SASSOON MILLS, LIMITED.
MODEL MILLS (NAGPUR), LIMITED.
MOON MILLS, LIMITED.
MORARJEE GOCULDAS SPINNING AND WEAVING COMPANY, LIMITED.
MYSORE SPINNING AND WEAVING COMPANY, LIMITED.
NEW CHINA MILLS, LTD.
NEW CITY OF BOMBAY MANUFACTURING COMPANY, LIMITED.
NEW GREAT EASTERN SPINNING AND WEAVING COMPANY, LIMITED.
NEW JAMNER GINNING, PRESSING AND MANUFACTURING COMPANY LIMITED.
NEW KAISER-I-HIND SPINNING AND WEAVING COMPANY, LIMITED.
P. D. PATEL GIN AND PRESS FACTORY.
PARBHANI GINNING AND PRESSING COMPANY, LIMITED.
PEARL MILLS, LIMITED.
PHŒNIX MILLS, LIMITED.
PRALHAD MILLS, LIMITED.
PREMIER MILLS, LIMITED.
PULGAON COTTON SPINNING, WEAVING AND MANUFACTURING COMPANY, LIMITED.
RAI BAHADUR BUNSILAL ABIRCHAND SPINNING AND WEAVING MILL.
RAJA BAHADUR MOTILAL BOMBAY MILLS, LIMITED.
RAMCHAND GURSAHAI MAL COTTON MILLS COMPANY, LIMITED.
SASSOON AND ALLIANCE SILK MILL COMPANY, LIMITED.
SASSOON SPINNING AND WEAVING COMPANY, LIMITED.
SHOLAPORE SPINNING AND WEAVING COMPANY, LIMITED.
SIMPLEX MILLS LIMITED.
SIR SHAPURJEE BROACHA MILLS, LIMITED.
SHRI LAXMI, MILLS.
SRI SHAHU CHATRAPATI MILLS.
STANDARD MILLS COMPANY, LIMITED. (IN LIQUIDATION.
SVADESHI MILLS COMPANY, LIMITED.
SWAN MILLS, LIMITED.
TATA MILLS, LIMITED.
TINNEVELLY TEXTILES, LIMITED.
UNION MILLS, LIMITED.
VICTORIA MILLS, LIMITED.
VISHNU COTTON MILLS, LIMITED.
WESTERN INDIA SPINNING AND MANUFACTURING COMPANY, LIMITED.

ASSOCIATION'S REPRESENTATIVES.

Legislative Assembly—SIR VICTOR SASSOON, BART.
Bombay Legislative Council—J. B. PETIT ESQ., M. L. C.
City of Bombay Improvement Trust—S. D. SAKLATVALA ESQ.
Bombay Port Trust—A. GEDDIS, ESQ.
Victoria Jubilee Technical Institute—JEHANGIR B. PETIT, ESQ. AND THE HON'BLE SIR MUNMOHANDAS RAMJI
Bombay Smoke Nuisances Commission—SIR JOSEPH KAY AND W. A. SUTHERLAND, ESQ.
Sydenham College of Commerce Advisory Board—S. D. SAKLATVALA, ESQ.
Central Cotton Committee—S. D. SAKLATVALA, ESQ.
Empire Cotton Growing Corporation—W. H. BRADY, ESQ.
Development of Bombay—Advisory Committee—JEHANGIR B. PETIT, ESQ.
G. I. P. Railway Advisory Committee—A. GEDDIS, ESQ.
B. B. & C. I. Railway Advisory Committee—THE HON'BLE SIR MUNMOHANDAS RAMJI.
Excise Advisory Committee—A. GEDDIS, ESQ.
Nowrosji Wadia Maternity Hospital Board of Management—A. GEDDIS, ESQ. AND H. P. MODY, ESQ.
Municipal Corporation—H. P. MODY, ESQ.

COMMITTEE FOR 1928.

J. B. PETIT, ESQ. (*Chairman*).
H. H. SAWYER, ESQ., (*Deputy Chairman*).
SIR DINSHAW M. PETIT, BART.
SIR VICTOR SASSOON, BART.
THE HON'BLE SIR DINSHAW E. WACHA, KT.
SIR FAZULBHOY CURRIMBHOY, KT., C.B.E.
SIR NESS WADIA, K.B.E., C.I.E.
SIR JOSEPH KAY, KT.,
A. GEDDIS, ESQ.
LALJI NARANJI, ESQ., M.L.C.
H. P. MODY, ESQ.
THE HON'BLE SIR MUNMOHANDAS RAMJI.
THE HON'BLE MR. RATANSI D. MORARJI.
N. B. SAKLATVALA, ESQ., C.I.E.
S. D. SAKLATVALA, ESQ.
F. F. STILEMAN, ESQ.
F. STONES, ESQ.
MADHAVJI D. THACKERSEY, ESQ.
C. N. WADIA, ESQ., C.I.E.,
T. WATTS, ESQ.

T. MALONEY, ESQ., M.C., *Secretary.*
J. P. WADIA, ESQ., *Asstt. Secretary.*

TRUSTEES OF ASSOCIATION'S FUNDS.

General Fund:—MR. H. P. MODY & MR. RATANSI D. MORARJI.
Provident Fund:—MR. S. D. SAKLATVALA & MR. H. P. MODY.

CHAIRMEN AND SECRETARIES OF THE BOMBAY MILLOWNERS' ASSOCIATION.

Chairmen.

H. MAXWELL, 1875, 1876-77, 1877-78.

J. A. FORBES, 1878-79.

SIR DINSHAW MANECKJI PETIT, 1879-80, 1880-81, 1881-82, 1882-83, 1883-84, 1884-85, 1886-1887, 1888-89, 1889-90, 1891, 1892.

SIR GEORGE COTTON, 1893, 1894, 1895, 1896, 1897, 1898, 1899*, 1900*.

JOHN R. GREAVES, 1899*, 1900*, 1901, 1902.

BOMANJEE DINSHAW PETIT, 1903.

SIR SASSOON J. DAVID, 1904, 1905.

SIR VITHALDAS DAMODHER THACKERSEY, 1906, 1907.

SIR FAZULBHOY CURRIMBHOY, 1908.

MANMOHANDAS RAMJEE, 1909.

HERBERT R. GREAVES, 1910.

SIR NESS. WADIA, 1911.

SIR DINSHAW M. PETIT, 1912.

J. F. BRADBURY, 1913.

NAROTTAM MORARJEE, 1914.

JEHANGIR B. PETIT, 1915.

N. B. SAKLATVALA, 1916.

SIR DINSHAW E. WACHA, 1917.

C. N. WADIA, 1918.

N. G. HUNT, 1919.

RAHIMTOOLA CURRIMBHOY, 1920.

SIR JOSEPH KAY, 1921, 1922.

SIR VICTOR SASSOON, BART., 1923.

S. D. SAKLATVALA, 1924.

SIR NESS. WADIA, 1925.

A. GEDDIS, 1926.

H. P. MODY, 1927.

J. B. PETIT, 1928.

Secretaries.

JOHN GORDON, 1875-84.

DAVID WATSON (Acting), 1881-82.

JOHN MARSHALL, 1884-98.

FREDERICK NOEL-PATON, 1898-1905.

J. B. LESLIE-ROGERS, 1905-11.

R. E. GREGOR-PEARSE, 1912-20.

C. B. SAYER, 1921-24.

T. MALONEY, appointed 1924.

* Part Year.

Bombay Millowners' Association.

Section I.

PROCEEDINGS OF THE ANNUAL GENERAL MEETING
HELD ON 12th MARCH, 1928,

DINNER TO HIS EXCELLENCY THE VICEROY AND
DINNER TO HIS EXCELLENCY THE GOVERNOR
OF BOMBAY.

Bombay Millowners' Association.

ANNUAL GENERAL MEETING.

THE ANNUAL GENERAL MEETING of the members of the Bombay Millowners' Association was held in the rooms of the Association (Sohrab House, Hornby Road, Fort) on Monday, the 12th March 1928, at 11-30 a.m. (S.T.), to transact the following business :—

1. To receive and adopt the Committee's Report for the year 1927 ;

2. To consider and, if approved by the requisite majority, to adopt a Resolution rescinding the following Resolution which was passed at a Special General Meeting of the Members of the Association held on 8th September, 1920 :

> " That no member shall work on two shifts, and if any member shall do so, such member shall render himself liable for expulsion in accordance with the provisions of Rule 91 of the Association's Rules."

3. To appoint Auditors of the Association's accounts for the current year, and to fix their remuneration.

And any other business that may be brought forward.

MR. H. P. MODY, Chairman of the Association, presided.

The following gentlemen were also present :—

Sir Stanley Reed, K.B.E. ; G. A. Thomas, Esq., I.C.S., Collector of Bombay ; T. W. Johnstone, Esq., Chief Inspector of Factories ; C. R. Watkins, Esq., Collector of Customs ; Robert C. Cockburn, Esq., Assistant American Trade Commissioner; Sir Leslie Hudson, Kt., and G. L. Winterbotham, Esq., of the Bombay Chamber of Commerce; W. G. McKee, Esq., and C. Boyagis, Esq., Directors of the East India Cotton Association ; D. E. Mehta, Esq., Secretary, East India Cotton Association ; Walchand Hirachand, Esq., C.I.E. ; Vithaldas Damodar Govindji, Esq.; M. L. Dhanukar, Esq.; Jamnadas Harakji Sanghvi, Esq.; Nariman M. Powalla, Esq. ; B. F. Madon, Esq., and Rao Saheb Hargivan Valji of the Indian Merchants' Chamber ; J. K. Mehta, Esq., Secretary, Indian Merchants' Chamber ; K. R. P. Shroff, Esq., Chairman, Native Share and Stock Brokers' Association ; Sir Victor Sassoon, Bart., F. Stones, Esq., O.B.E., and A. J. Raymond, Esq., representing the Apollo Mills, Ltd., the David Mills, Ltd., the E. D. Sassoon United Mills, Ltd., the Edward Sassoon Mills, Ltd., the Elphinstone Spinning and Weaving Mills Co., Ltd., and the Meyer Sassoon Mills, Ltd.; Sir Fazulbhoy Currimbhoy, Kt., C.B.E., and T. Watts, Esq., representing the Bradbury Mills, Ltd., the Ceylon Spinning and Weaving Co., Ltd., the Crescent Mills, Ltd., the Currimbhoy Mills Co., Ltd., the Ebrahimbhoy Pabaney Mills, Ltd., the Fazulbhoy Mills, Ltd., the Indian Bleaching, Dyeing and Printing Works, Ltd., the Indore Malwa United Mills, Ltd., the Kastoorchand Mills, Ltd., the Madhorao Scindia Mills, Ltd., the Mathradas Mills, Ltd., the Pearl Mills, Ltd. and the Premier Mills, Ltd.; Sir Ness Wadia, K.B.E., C.I.E., D.F. Batliwala, Esq., and Bomanji Adurji, Esq., representing the Bombay Dyeing and Manufacturing Co., Ltd.; Sir Joseph Kay, Kt., H. H. Lakin, Esq., and J. Tinker, Esq., representing the Colaba Land and Mill Co., Ltd., the New City of Bombay Manufacturing Co., Ltd., and the New Great Eastern Spinning and Weaving Co., Ltd.; J. B. Petit, Esq., representing the Manockji Petit Manufacturing Co., Ltd., and the Framjee Petit Spinning and Manufacturing Co., Ltd.; Narottam Morarji, Esq., and the Hon'ble Mr. Ratansi D. Morarji, represent-

ing the Morarji Goculdas Spinning and Weaving Co., Ltd., and the Sholapur Spinning and Weaving Co., Ltd.; S. D. Saklatvala, Esq., representing the Central India Spinning, Weaving and Manufacturing Co., Ltd., the Svadeshi Mills Co., Ltd., and the Tata Mills, Ltd.; H. H. Sawyer, Esq., representing the Sassoon and Alliance Silk Mills Co., Ltd., the Sassoon Spinning and Weaving Co., Ltd., and the Union Mills, Ltd.; E. C. Reid, Esq., and F. F. Stileman, Esq., of the Kohinoor Mills Co., Ltd.; Madhavji D. Thackersey, Esq., representing the Crown Spinning and Weaving Co., Ltd., the Hindustan Spinning and Weaving Mills Co., Ltd., the Indian Manufacturing Co., Ltd., and the Western India Spinning and Manufacturing Co., Ltd.; Kaikobad Cawasji Dinshaw, Esq., of the Burhanpur Tapti Mills, Ltd.; G. Furze, Esq., representing the Finlay Mills, Ltd., the Gold Mohur Mills, Ltd., and the Swan Mills, Ltd.; G. V. Lloyd, Esq., of the Globe Manufacturing Co., Ltd.; D. J. Registrar, Esq., of the Model Mills (Nagpur), Ltd., and the Berar Manufacturing Co., Ltd.; Ramrao Anandrao Vinayacka, Esq., of the Madras United Spinning and Weaving Mills Co., Ltd.; D. N. Sirur, Esq., of the Mysore Spinning and Weaving Co., Limited; I. I. Mashruwalla, Esq., of the Shree Laxmi Mills; P. Ridsdale, Esq., of the Simplex Mills Co., Ltd., and J. P. Wadia, Esq., Ag. Secretary of the Association.

The notice convening the meeting having been read by the Acting Secretary, the Chairman, MR. H. P. MODY, in opening the proceedings, said:—

Gentlemen,—In moving the adoption of the Report of the Association for the year 1927, I shall deal as briefly as I can with the outstanding events of what has proved to be one of the most notable periods in the history of the Association. The issue of the report of the Tariff Board, the publication of the Government of India's decisions, and the strenuous efforts made by your Committee to secure for the industry a just recognition of its claims overshadowed in interest every other topic. These events must not, however, be allowed to obscure the vast amount of solid work which was done, as in previous years, to promote the important interests which the Association represents, and the Report placed before you bears ample testimony to that fact.

The year 1927 brought the industry in Bombay a partial and purely adventitious relief, which, after the trying period through which it had passed, was most welcome. The beginning of the year, the time when mills begin to cover their requirements of cotton, saw that commodity at the lowest level it had known for many years. It was a situation of which the possibilities were visualised by most mills, who saw in it hopes of a revival of trade which was long overdue. The continuous appreciation of cotton prices which subsequently took place, and which saw its culmination in September, had a stimulating effect on the prices of cloth and yarn, and though, towards the end, the situation again assumed a dismal aspect, the year on the whole provided a badly needed check to the downward progress of the industry. That the results shown by many mills in Bombay did not, however, by any means represent normal trading conditions is abundantly borne out by the fact that almost throughout the year cloth and yarn could not have been sold except at a loss, if manufactured out of cotton at the ruling prices of the day. The most significant commentary that could be made on the actual trading conditions which prevailed during the year is that stocks at the end of it showed very substantial increases, in spite of the fact that a large number of spindles and looms had to be stopped owing to the poorness of the demand.

The position which confronts us to-day is far from reassuring. In spite of the fact that more and more machinery is being kept idle, stocks continue to be very heavy, and are as much as 45,000 bales over the figures of the same period last year. At the same time the prices at which goods have to be sold leave no margin of profit, and, in many cases, mean a positive loss. His Excellency the Governor, in his speech at the Annual Dinner of the Association, suggested that I had mistaken my real vocation in life, and that my proper place would be the Meteorological Department, but even at the risk of being offered an appointment there, I reiterate my conviction that no definite improvement in the fortunes of the industry is possible until it is protected in its home markets against unfair competition, and assisted in its export trade by facilities which Governments in other countries accord to industries on which the well-being of the people depends.

The Report of the Tariff Board.

That brings me, gentlemen, to the subject which loomed large in the activities of your Association during the year under review. The long-expected Report of the Tariff Board was published in June along with the decisions of the Government of India. So much has been written and spoken on the subject that it would be a weariness of the flesh if I were to examine again the important issues which it has raised, I shall just survey the field in its broad features, and as rapidly as I can. The Report of the Tariff Board was halting and disappointing in many respects. It ignored several factors—notably the effects of currency legislation—which have a very vital bearing on the fortunes of the industry, and, in certain instances, betrayed unwillingness to follow up its own arguments to their logical conclusions. But for all that, I am free to acknowledge the vast amount of painstaking investigation which Mr. Noyce and his colleagues conducted into the problems of the industry, and the scrupulous care and fairness with which they examined the various issues presented to them. Their recommendations, however, fell far short of the requirements of the case, and, in the representation submitted to the Government of India, we pointed out the directions in which they had failed to meet our legitimate demands. But even these very modest recommendations were too much for the Government of India, who dismissed them in the first instance without much ceremony, for reasons which it is difficult for the ordinary mind to appreciate. An all-India Conference of Millowners was convened by our Association, and provided an opportunity of showing the strength and solidarity of the feeling evoked throughout the country by the wholly unjust and unconvincing refusal of Government to give effect to the recommendations of the Tariff Board. Among other things, the Conference effectively disposed of the contention, so persistently advanced, that the difficulties of the industry were mainly confined to Bombay. I need not go into the history of the vigorous measures carried out by your Association for bringing about a reversal of the Government of India's original decisions. The courtesy and keen sense of fairness of His Excellency the Viceroy enabled an all-India Deputation to place before him very fully and frankly the case of the industry, and the result was the passing of the Yarn Protection Bill. I believe this was the first occasion on which the Government of India went back on a decision deliberately arrived at, without pressure from the Legislature, and without waiting for public opinion to harden, and I desire, in this place, to acknowledge once again the statesmanlike action of His Excellency the Viceroy and his colleagues in discarding all false considerations of prestige, and acting up to their conception of what was due to the industry. They must realize, however, that the major demands of the industry remain unsatisfied, and until an adequate duty is levied on the imports of cloth into this country, the position of the Industry will continue to be serious. According to a statement made by the Hon'ble the Commerce Member a few days ago in the Legislative Assembly, the Government of India are supposed to be " watching developments " very carefully. I do not grudge them the satisfaction of feeling that they are very much alive to everything that is going on, but I venture to point out that if they continue much longer to feel the pulse of the patient without prescribing a specific, the patient may soon be past all remedy. I am aware that the Government of India share the common human weakness of not liking criticism too much, but I hope they do not entertain any contempt for facts and figures. In the course of the many discussions we have had in the last few months, I have repeatedly pointed out the abnormal increase which has been taking place in the imports of cloth from Japan, and the latest figures to hand amply bear out my statements. From 232 million yards imported in 1926, the figures for 1927 show 332 million yards, an increase of nearly 45 per cent. in the course of twelve months. There has also been an increase of 200 million yards in the total imports from all countries, which now stand at the enormous figure of 2,000 million yards. I am afraid it is difficult to speak with restraint of a Government which complacently looks on, or, at the best, is lost in cogitation, while the country is being inundated with foreign cloth to the ruin of the indigenous industry. I cannot help thinking, though the Government of India may resent the suggestion, that a situation such as this would not be tolerated in any country whose Government was national in its outlook, and I feel bound to point out that they are looking at the matter from an exceedingly narrow standpoint. In this connection, it is not necessary to do anything more than to point to the action taken by other countries—notably Japan—for the protection and promotion of indigenous industries. What Japan thinks may be seen from an extract from the *Japan Financial and Economic Monthly*, announcing the decision to appoint a " Commission for Investigation of Commerce and Industry ":—

> " Needless to say that the prosperity of a country depends chiefly on the development of industry. International economic competition has been growing in intensity, specially since the world war. Every country in the world has placed development of industry in the forefront of its *post bellum* measures.....Under the circumstances, to investigate necessary matters relative to the development of commerce and industry, and decide upon and carry out concrete measures to that end, is not only of urgent necessity, but is the way of setting up a policy to the lasting benefit of the country."

In contrast with this vigorous policy carried out with considerable foresight and determination, the action of the Government of India in overriding the recommendations of a Tariff Board of its own selection would appear to be quite indefensible. If their position is that everything possible has been done for the industry to enable it to fight its competitors, and that for the rest it must work out its own salvation, I say emphatically that that is an entire misreading of the situation. There is an impression in some quarters that while the millowners are crying out to Government for help, they are doing nothing to set their house in order. I need not say that if any such impression still lingers, it is wholly unjustified. During the last three or four years, a great deal has been done to improve the efficiency of mills, to reduce production costs, and to meet the changing requirements of consumers both at home and abroad. The best testimony to the organization and internal arrangements of Indian mills has been furnished by the Deputation which under the leadership of the Right Hon'ble Tom Shaw visited this country in the latter half of 1926. Among other things their report states :—

> " Taking the factories from the point of view of the height of the rooms, space and ventilation, they are at least equal to the factories of Europe. The machinery is, with very few exceptions, of the latest and most up-to-date type, and whilst there was abundant evidence that—taken generally—European conditions were not being reached, we saw many concerns where, in every respect, the conditions were fully equal to the best European mills. The classes of goods made, too, were a revelation. I venture to say that none of the delegates thought that technical development had gone so far as it has done in India. Many of the manufacturing processes were fully equal to European standards, and in some cases the variety of yarn spun and cloths woven, dyed, and finished showed a range and variety which is probably not equalled by any individual European concern."

A testimony from a different and wholly unexpected quarter may also be quoted. In an article which was contributed to the *Japan Chronicle*, the writer very pertinently points out that " the fact that in spite of the continuous foreign competition all round, armed as those competitors are by their paternal Governments with profuse facilities in railway and marine freights, in rebates and in bounties and protection, many of the Indian mills, even without the good fortune of enjoying similar facilities have managed to exist decently, goes to their credit, and they deserve protection to a certain extent against these armed competitors."

I need not labour the point further. In quitting the subject of the so-called mismanagement of Indian mills, I shall only say that the Report of the Tariff Board affords a striking and complete refutation of the charges so recklessly flung about in a section of the Press, and when our critics next talk about the necessity of our setting our house in order, I hope the public at large will know what value to attach to their vapourings.

Gentlemen, I refuse to believe that Government's statement of policy with regard to the question of protection is the last word on the subject. I cannot but think that they are bound to recognize that it cannot possibly be to the country's good that a great national industry should not only be prevented from developing and attaining to its full stature, but actually allowed to be crippled by competition from countries enjoying various advantages in the matter of the production and marketing of their goods. Government must realize, however, that relief to be effective must be speedy, and that the industry cannot afford to

wait indefinitely for it. They must recognize the necessity for prompt action if the well-being of the industry, on which the prosperity of the Presidency, and in a measure of India itself, so largely depends, is to be secured. In the meantime, we must go on educating public opinion, and seeing that the plain issues arising out of the controversies of the last few years are not allowed to be obscured. In this connection, I desire to acknowledge with gratitude the support to our case which came forth in such abundant measure from a large section of the Press, from various public bodies and individuals, and from the Legislature of the country. I like to think that there is a growing appreciation of the fact that whatever may be said against us—and we do not claim perfection or immunity from criticism by any means—we represent a great indigenous industry which, given a vigorous national policy, has immense potentialities for the economic progress of the country. We trust that in the assertion of our just claims we shall continue to receive whole-hearted support from all who value the importance of an industry built up in the main by Indian enterprise, Indian capital and Indian labour.

The Indian Trade Mission.

I shall pass on to the subject of the Trade Mission which left this country some six weeks ago. Your Association have given their fullest co-operation to Government in this matter, and apart from the money they have spent, have placed the services of their very capable Secretary at the disposal of the Mission. They also secured for it the services of a very experienced merchant as Commercial Adviser. I have every hope that as a result of their tour, the Mission will be able to place before the industry most valuable suggestions for the development of its export markets. I am afraid, however, the funds placed at the disposal of the Mission are very inadequate, and require to be supplemented if a proper investigation is to be made of the possibilities of trade development in various countries where the enterprise of foreign Governments have enabled their nationals to establish themselves.

Labour.

There remains one other topic which I am bound to refer to in this survey of the principal events of the year. The results of the Tariff Board's investigations, and the efforts which the industry has been making ever since the depression set in to reorganize its methods, have emphasized the vital necessity of securing greater efficiency on the part of our work-people. The Tariff Board have found that the maintenance of wages at the level of the boom period has added to the difficulties of manufacturers in Bombay and that " the only alternative to a reduction in wages is increased efficiency." While we do not expect Western standards, we trust our operatives and those who are in a position to influence them will realize that an increased and improved output is essential if we are to face the severe competition of highly-organized industries in other countries, which are receiving, besides, every assistance and encouragement which the State can give them. Labour must realize that its interests are bound up with the prosperity of the mills, and that it is up to it to co-operate in the fullest measure with the efforts of the industry to fight the conditions which are weighing it down, and to preserve and strengthen its existence. We think we have given ample proof of our anxiety to give our workpeople a square deal, and we have a right to expect that, in these critical times at any rate, they on their part should recognize the necessity of giving us of their best.

Domestic Affairs

Gentlemen, the year has been a somewhat strenuous one for every one concerned. In the conduct of the affairs of the Association, I have had from the Deputy Chairman, Mr. Stones, assistance of which I cannot speak too highly. His work on the Committee and the various Sub-Committees has been most valuable and has been cheerfully and ungrudgingly performed. The Association owes him a debt of gratitude for all he has done, and it is a matter of regret to every one that he has not found it possible this year to take on the duties of Chairmanship. My thanks are also due to the Committee for their ready co-operation

which has made possible the work that has been done. The Report bears testimony to the special services rendered by various members, and I need only say that I heartily endorse your Committee's appreciation of their labours. There remains for me to mention the work done by our Secretary. I have said before that in Mr. Maloney the Association possesses a highly capable and conscientious official, and my experience of him during the last year has confirmed the high estimate I had formed of his abilities and devotion to the interests of the Association. He is serving us at present in another field, and I have no doubt his labours will redound to the benefit of the industry. During his absence, Mr. Wadia has been acting as Secretary and has been satisfactorily carrying out his duties.

Gentlemen, the direction of affairs will presently be in the capable hands of Mr. J. B. Petit whose long association with the industry and previous experience as Chairman afford a guarantee that your interests will be ably looked after in the strenuous times which are ahead. The work of the Association is growing in magnitude and importance, and is making heavy demands on the time and energy of your Committee, but I am sure they will continue to serve the interests of the industry in the same public-spirited way in which they have done in the past.

The resolution was seconded by MR. JEHANGIR B. PETIT.

In supporting the motion for the adoption of the Report, MR. H. H. SAWYER said :—

In supporting the adoption of the Committee's Report, it remains for me to add but little to what the outgoing and incoming Chairmen have already said. They have, as usual, and very rightly, appropriated all the more interesting subjects which have occupied your Committee's attention throughout the past year, and there are only one or two minor points about which I beg to offer a few remarks.

BOMBAY FIRE INSURANCE ASSOCIATION.

The first is regarding fire insurance. The Bombay Fire Insurance Association in the early part of the year reduced their premium rates upon cotton mills by 15 per cent. but, I may add, only after they had first reduced their agency commission to a similar extent. If you figure this out you will find that the result is that the Insurance Companies themselves now receive more nett premium than they did before they were kind enough to extend to us this concession. This reduction in Tariff was therefore entirely at the expense of their agents, many of whom were themselves also mill agents. Now, cotton mills are good risks and run into big figures so that this reduction, under the circumstances mentioned, is considered altogether unsatisfactory and inadequate, and your Committee insist upon a further reduction of at least 15 per cent. which we hope the Bombay Fire Insurance Association, through the companies interested, will accept and so help us in some small way to reduce our heavy overhead charges.

IMPORT DUTY ON MILL STORES.

My second point is regarding mill stores. The introductory remarks in the Finance Member's recent budget speech opened with a lament that the Tariff Board's Report on the Cotton Textile Industry had necessitated a sacrifice of nearly a crore of rupees to Government revenues on account of the abolition of import duty upon mill stores, bobbins, etc. In our present state of general unpopularity it is quite possible that this loss of revenue will be laid entirely at the door of the poor Bombay millowners. I would, however, beg to point out that there are over 300 mills in India all of which participate in this concession. The actual figure for the current year is, I believe, about 90 lacs, so that the average will work out approximately to Rs. 30,000 per mill per annum. We must, however, be thankful even for small mercies, and should miss no opportunity of keeping our just claims ever before Government with the idea of obtaining still further benefits should suitable occasions arise.

The resolution, on being put to the vote, was duly carried.

The following resolution was then moved by MR. F. STONES, O.B.E. :—

" That the following resolution which was passed at a Special General Meeting of the Members of the Association held on 8th September 1920 be and is hereby rescinded:—

' That no member shall work on two shifts and if any member shall do so, such member shall render himself liable for expulsion in accordance with the provisions of Rule 91 of the Association's Rules.'

In moving the resolution, MR. STONES said :—

Mr. President and Gentlemen,—Before formally moving the resolution which makes it permissible for members of this Association to work their mills on two shifts, I wish to make a few comments which will remove any misapprehension which might exist through this resolution.

It is not the intention of the Bombay Millowners to put their mills on two shifts working either 8 or 10 hours and the resolution is brought forward primarily with a view to allowing members of our Association who are compelled to work certain departments in double shifts through the exigencies of trade conditions now ruling.

When the original resolution was proposed, the situation then existing was that there was not enough accommodation for the necessary employees available in Bombay, but with the spinning of finer counts and the increased accommodation provided by the Development Department chawls, there is no fear of any lack of accommodation. On the other hand, it is very unlikely that mills will go on double-shift working in view of the fact that with conditions ruling to-day, it is impossible to sell even the normal production at profitable rates.

In the event of this resolution being passed, the actual effect will be to permit mills to work certain departments on double shifts without breaking any rules of the Association.

The resolution was seconded by MR. F. F. STILEMAN and duly carried.

MR. MADHAVJI DAMODER THACKERSEY proposing and Mr. T. WATTS seconding, it was resolved :—

" That Messrs. A. F. Ferguson & Co. be and are hereby appointed as auditors of the Association's accounts for the current year, on the usual remuneration hitherto paid to the Association's auditors."

On the motion of MR. S. D. SAKLATVALA, seconded by the HON'BLE. MR. RATANSI D. MORARJI, it was resolved that the following donations be sanctioned and paid out of the Association's funds :—

	Rs.
The Victoria Jubilee Technical Institute	2,000
,, Sydenham College of Commerce and Economics ..	1,000
,, Police Comforts Fund	1,000
, Sir J. J. Hospital Nursing Association Fund	750
,, Goculdas Tejpal Nursing Association Fund	250
, Bombay Textile and Engineering Association ..	500
,, Adam-Wylie Memorial Hospital	250
,, National Baby Week Celebrations	250

On the motion of SIR VICTOR SASSOON, Bart, a vote of thanks was accorded to the retiring Chairman for his very able conduct of the Association's affairs.

DINNER TO HIS EXCELLENCY THE VICEROY.

MR. H. P. MODY, the Association's Chairman gave a Dinner at the Willingdon Sports Club in honour of His Excellency the Viceroy on 12th December 1927. Covers were laid for about 100 guests, and His Excellency, Sir Leslie Wilson. Governor of Bombay, was one of the guests.

In Mr. Mody's words " This is the first occasion on which a Viceroy has honoured the Millowners' Association with his company " and Mr. Mody took advantage of this opportunity to acknowledge publicly the statesmanlike action of His Excellency the Viceroy in bringing about a revision of Government's original decisions on the Tariff Board's findings.

Mr. Mody also paid a high tribute to His Excellency Sir Leslie Wilson as a " friend of the industry " and " one of the industry's strongest advocates."

The speeches made on the occasion by Mr. Mody in proposing the toast of His Excellency the Viceroy, and His Excellency's reply thereto are published below :—

MR. MODY'S SPEECH.

Gentlemen,—It is my happy privilege to give you the toast of His Excellency Lord Irwin. This is the first occasion on which a Viceroy has honoured the Millowners' Association with his company and it would be detracting greatly from our appreciation of the event if I were to utilize it for inflicting on this gathering the difficulties and the grievances of the mill industry in India. During the last few months His Excellency and his Government have had quite enough of the subject, and I am sure they would feel grateful if they were allowed to forget for a moment the existence of the industry. That they may not carry away, however, the unfortunate impression that all is well with us, and that we are beaming with happiness and contentment, I should just like to say that we are still in the doldrums, and that while we are grappling earnestly with the task of reorganizing the industry and improving its efficiency in the directions which the changed circumstances of the time and the devoted labours of Mr. Noyce and his colleagues have indicated as desirable, we do not intend to give up the fight we have engaged in until we have secured from Government a whole-hearted recognition of our claims to an adequate measure of assistance and protection.

For the time being, I shall pass on to the more pleasant task of acknowledging His Excellency's graceful action in revising the original decision of his Government on the Tariff Board report. I believe I am right in saying that this is the first occasion on which the Government of India have retraced their steps and revised an important and deliberate decision, without waiting for a vote of the Legislature, and without regard to any considerations of prestige such as too often dog the footsteps of Governments all the world over, whether they be unrepentant autocracies or full-blown democracies. It was a statesmanlike action, and though it fell short of the requirements of the case, we are bound to recognize it and accord it our warmest appreciation. I have every hope that when His Excellency fully realises that a great national industry is in serious difficulties, despite the purely adventitious advantage which it has enjoyed this year through the course cotton prices have taken, and that it requires to be effectively protected against foreign competition and given every encouragement which an enlightened Government must accord to industries which produce wealth, and give employment to vast numbers of people, when His Excellency realises the force of these considerations, I repeat, I have every confidence he will have no hesitation in giving the fullest measure of recognition to the just claims of the industry.

I should like to take this opportunity of acknowledging the great courtesy and consideration we have received at the hands of the Hon'ble the Commerce Member. We were very pleasant and persuasive at our first interview with him, but when he met us again after the publication of the Government of India's decision on the Tariff Board Report, we told him in somewhat plain and forcible terms what we thought of him. It must be said to his credit that he took everything with great good humour. It is true he did not seem much impressed by anything we told him, and I am not sure that he did not actually yawn once when I was in the midst of what I thought was a most moving appeal. I like to think, however, that Sir George Rainy was concealing behind an unbending official manner a most engaging personality and a real desire to understand the difficulties of the Industry, and I hope that when we have next to deal with him, we shall see more of the man and less of the hardened bureaucrat.

Gentlemen, let me turn to another topic. This is practically the first extended visit unconnected with any weighty affairs of state which any Viceroy has paid us and Bombay is feeling very happy over it. There is a little damsel dwelling on the banks of the Hooghly who, for some reason has always claimed a disproportionate share of the attentions of the Government of India, even though a judicial separation was effected in 1911, and while constancy is a virtue which we all admire or ought to, it is to be deplored that the Mighty Jove should be so insensible to other claims on his affections. We are the Gateway of India, and the great gods and the little gods who rule our destinies from the sheltered heights of Simla or the dusty plains of Delhi, make their first acquaintance with the country through Bombay, and quite nice things they say about her in the ecstasy of that first meeting. But, whether it is that they find her too prosperous or too obstreperous, the cold shades of neglect soon descend on her where she lingers until some loan is about to be floated, or some disaster overtakes any part of the country. Let us hope that this visit of His Excellency the Viceroy will induce a kindlier feeling towards our neglected province, and that the Government of India will begin to realise that we are not merely a collection of pugnacious politicians and financiers who take an unholy delight in tripping the Government. I have an idea this impression is largely responsible for the coolness which those in high places display towards what is undoubtedly the first city in India. Bombay's claim to that distinction is founded on the energy, enterprise and philanthropy of her citizens, the cordial relations which subsist between the various elements which go to constitute what is, perhaps, the most cosmopolitan population in the world, and the sanity and breadth of view which characterise her public life. If to-morrow Bombay were given complete self-government, she would furnish to the world a striking example of what Indian character and capacity can achieve in the domain of government and practical administration. A contented and prosperous Bombay is thus an asset of tremendous value to the country, and all that contributes to her progress must command the closest attention and sympathy of the Government of India.

Gentlemen, I have spoken of the tolerance and level-headedness which animate the public life of Bombay. The organization which I have the honour to represent typifies that spirit in a remarkable degree. Founded by the joint efforts of Europeans and Indians, the Millowners' Association has for over half a century served the interests of the Industry with a complete harmony and understanding amongst its members which are an eloquent testimony to the public spirit of Bombay. Europeans, Hindus, Mohamedans, Parsis and Jews —and the inevitable Scotchman, of course—all alike have contributed to its solid achievements. We have amongst us importers and exporters, manufacturers and middle-men, politicians and people who regard politics as pitch. Numerous have been the occasions on which the interests of these various elements have been in conflict ; I do not think there has been a single occasion on which they have not been happily adjusted. We have our critics,—we have sometimes the exhilarating experience of finding both the Government and the public against us—but in spite of all that they may say, I maintain that the Millowners' Association is an outstanding example of the cordiality, unanimity and success with which men of different races, working for a common object, can promote the common good.

Gentlemen, it is a pleasure to have amongst us to-night His Excellency Sir Leslie Wilson. Throughout his administration, he has proved himself a great friend of the industry. While standing up for all that promotes the welfare of the working-classes of Bombay—I cannot say that his intervention in labour disputes has always been welcome !—His Excellency recognizes the place the textile industry fills in the economic life of the Presidency. He realises the national character of the industry and the immense contributions it has made to the progress and prosperity of the country. I am revealing no official secrets when I say that in the little argument we have lately had with the Government of India, we had in His Excellency the Governor, one of our strongest advocates and I am very glad to have this opportunity of expressing publicly the appreciation of my Association for all that he has done for the industry.

Gentlemen, we are unfortunately not living in the spacious days of Mountstuart Elphinstone, when, at a dinner given by him to celebrate the battle of Khirkee, " twenty-nine toasts were given, with appropriate tunes after each toast, and his health was drunk with nine times nine." Our lot is cast in more prosaic and strenuous times, and we must deny ourselves the leisure and hilarity permitted to our forefathers who knew not such modern

terrors as Aviation, Broadcasting and Royal Commissions—Parliamentary or otherwise! I shall not, therefore, stand between you and our illustrious guest any longer. Gentlemen, I give you the toast of His Excellency the Viceroy.

His Excellency the Viceroy's Speech.

Mr. Chairman and Gentlemen,—It is a real pleasure to me to be here to-night as your guest and I wish to express my sincere gratitude for the cordial manner in which you have all responded to the toast which the Chairman has just proposed. As you have just said, Mr. Chairman, it has generally been the role of Bombay in the past to welcome the coming and to speed the parting Viceroy, seeing little of him in mid-career. I do not know what reasons forced my predecessors to take this self-denying ordinance, but I do not think we need suspect them of any deliberate design to avoid your city except on two occasions, on the threshold of office when a man is still immune from criticism, or, as some might say, when as yet he had had no opportunity of doing wrong, and at the close of office, when he can speedily leave criticism behind, or when his opportunities of wrong-doing in India are on the point of being finally extinguished. The true reason, I fancy, was that each Viceroy like a gourmet keeps the tit-bit to the end. Ever since I came to India I decided to visit Bombay as soon as I could and I am very glad that my hopes in this matter have been so pleasantly fulfilled. There is apart from all other considerations, the vital importance of your city to India and the Empire. It was no bad bargain which the King of England made in 1661 when he took the island as part of the dowry of a Princess. You will agree that—in 20th century jargon—it was 'some' wedding present. He seems, however, to have been less prudent a year or two later, when he sold it to the East India Company for ten pounds. This, I need hardly tell you, was before the Union with Scotland, but I quote it as an early example of the solicitude which the British Government have always shown for the Bombay business man. Since that somewhat indifferent bargain, Bombay has never looked back. Her prosperity has gradually increased, now slowly, now apace, and the result to-day is a great city with a great public life under the inspiration of great leaders, some of whom, like the late Sir Pherozeshah Mehta, are no longer with us, and many of whom I am glad to see here to-night.

As Mr. Mody has hinted, yours is a city which has ever made a ready response to any demand on its generosity of public spirit; one calls to mind the princely benefactions of the late Sir Dinshaw Petit, and the untiring activity in public and private life of that grand old man of Indian politics, Sir Dinshaw Wacha. In all this building up of your city's position, the deciding factor has been the co-operation or friendly rivalry of Indian and European merchants working side by side. I doubt whether any other city in the world contains so many distinct national types or is so entirely cosmopolitan in character, as your Chairman has observed; and each section of the community has played its individual part in making Bombay what she is to-day. I think I may say that the influence of Bombay in India, in whatever field of its many-sided activities, whether politics, or finance, or sport is difficult to exaggerate and is, I sometimes suspect, a good deal greater than your natural modesty permits you to believe.

In the creation of this position, I can assure you, I am not blind to what has been due to the great mill industry, which is to a great extent the foundation of Bombay's prosperity, and of that of a great part of the country as well. Vast numbers of people are to-day supported directly or indirectly by the industry—in the factory or the field, at the loom or at the plough, all making their contribution to and in turn reacting to the economic needs of a world of which all the parts are becoming daily more interdependent. Your size and importance render you responsible for large number of persons from whom you draw your labour—it is your business that has created this human concentration and I would ask you to use all your influence to the end of bringing all members of your Association to recognize the moral obligation that rests on them in such matters as housing, health and general welfare of their workers.

I appreciate how much many of you have done and are doing to-day, but the surface of the problem is only scratched, and the health and mortality figures of your city are a grim reminder both of how many-sided the problem is and how far we yet are from being able to congratulate ourselves upon the results of the efforts made. I know very well the difficulties, but every year that passes will see the civilized conscience of the world more and more aroused upon these matters, and it behoves us all, officials and unofficials, to keep

them constantly before our minds. You will not, however, I know, expect me to compare the importance of the industry with that of other Indian enterprises or to say at this moment when I am just about to leave the port for the starboard side of India, whether cotton or jute is my favourite flower. Still, leaving aside comparisons, all the world knows what a great structure the Bombay mill industry has become, and it is a structure which could not have been built without each community taking its share in the work. It stands to-day as a concrete proof of what well-directed energy can achieve.

I do not propose to say much about the present position of the mill industry to-night. Business would not be business but for its periodical ups and downs, and a temporary set-back was perhaps to be expected after the feverish activity and soaring prices of the Great War. I am confident of the industry's ability to overcome its difficulties for I know that your Association will never spare time or trouble to promote the best interests of this great trade. Of my Government's good-will and sympathy you need never be in doubt, and I cannot help referring here to the friendly battles which have been waged on this subject during the past year. In the first place I would say that after all that has happened it is very forgiving and generous of your Association to entertain me like this. I almost feel that you are heaping coals of fire on my head, for your deputation left Simla last summer having obtained, possibly as much as you expected, but certainly not as much as you would have liked. But in spite of that you are returning the compliment by plying me with all that hospitable Bombay can offer.

The same friendly spirit has, I am glad to say, characterized all the discussions which have taken place between your representatives and the spokesmen of Government. Mr. Mody has referred to his consistently cordial relations with Sir George Rainy, though indeed I am not prepared to shoulder responsibility for Sir George's behaviour at the Committee table of which you, Mr. Chairman, have taken note: the joint liability of my Council does not go as far as that! At the same time I wonder whether you may not occasionally think that his wide experience in Tariff enquiries makes him more difficult to convince than might be the case with one who had not served this arduous apprenticeship. A President of the Tariff Board turned Member of Council is not altogether unlike a poacher turned game-keeper.

As an indication of the co-operation between the Government and Millowners, I might mention the Trade Mission which is shortly to be sent to certain countries to review their possibilities as markets for Indian cotton goods, and to make recommendations for the encouragement of the export of cotton manufactures from India. I have every hope that this constructive effort to assist the cotton export trade will bear valuable fruit, and I am glad that a representative of your Association has been able to lend his services for this important Mission.

I am very glad that I have been able to extend the friendships I made in Simla last summer by meeting to-night so many leading Millowners. For there is nothing so valuable as personal contact in making each side realize the other's difficulties; we are sometimes apt to imagine that, whatever the obstacles that may stand in our own path, the way of others is smooth or would be if they were only reasonably intelligent! It is, I think, very often in friendly intercourse like that of to-night that we arrive at a fuller understanding and appreciation of one another's point of view.

Before I sit down, Mr. Chairman, I must say how cordially I wish your Association and the industry it represents a long life of continued and increasing prosperity. Your Association is valuable not only to yourselves; it is also a great asset to the Government of India. There is hardly a single important question connected with industries, factory legislation or labour during the past fifty years in which the Government has not been assisted by the considered views of the Millowners of Bombay. Your members have played and are playing a conspicuous part in Imperial, Provincial and Municipal Administration, and I am sure that Sir Cowasji Jehangir and Sir Chunilal Mehta are all the more useful members of His Excellency the Governor's Executive Council for having been members of the Committee of your Association.

In thanking you again, therefore, for your hospitality to-night, I trust that the future will see a continuance of these happy relations between Government and the leaders of the industry you represent, and that we may continue to count on the same assistance and advice as we have in the past received from the Millowners Association.

DINNER TO HIS EXCELLENCY THE GOVERNOR.

IN accordance with the usual practice, the Chairman and Committee of the Association entertained His Excellency the Governor and a distinguished party of guests to dinner at the Willingdon Sports Club on Thursday, the 8th March 1928.

The speeches made on the occasion by Mr. Mody, the retiring Chairman, in proposing the toast of His Excellency the Governor, and His Excellency's reply thereto are published below:—

MR. MODY said:

Gentlemen,—I have great pleasure in giving you the toast of His Excellency the Governor. Sir Leslie Wilson should feel himself thoroughly at home in a gathering of mill-owners. We have had the privilege of having him in our midst on several occasions, when he has repaid our hospitality by listening cheerfully to our grievances. The various labour disputes and troubles which have enlivened His Excellency's term of office have given him further opportunities of coming in contact with the representatives of the industry, and of realizing that they are not altogether so devoid of human virtues as their critics would have the world believe. His Excellency's close and sympathetic interest in the problems which the appointment of the Tariff Board brought to the forefront has added still more to his knowledge of our affairs. Sir Leslie Wilson might well be regarded, therefore, as knowing, at least, as much about the vital needs of the industry, as many of the "experts," who periodically rush into print to tell us how to run our business.

Gentlemen, in my speech at the dinner which I gave in honour of His Excellency the Viceroy, I resisted all temptation to inflict on the distinguished guest of that evening the woes and grievances of the textile industry. I am afraid it will be somewhat difficult to practice such a self-denying ordinance on the present occasion. I promise you, however, that I shall avoid as far as possible the dismal tone, the lugubrious manner and the solemn phraseology, which etiquette demands of people who have fallen on evil days, and who are feeling as depressed as ourselves. For one thing, I am not going to inflict on you anything like an essay on Japanese competition, though I feel I could almost write one in my sleep. I shall just tell you the broad facts of the situation, and they are that, in spite of a partial and purely adventitious recovery last year, due to the operation of cotton prices, the industry is again faced with serious difficulties, and has lost all hope of attaining to normal trading conditions until it is protected in its home markets against unfair competition, and assisted in its export trade by facilities, which Governments in other countries accord to industries which are national in character. Stocks with the mills are continually accumulating, more and more spindles and looms are being stopped, and the prices of manufactures are becoming increasingly unremunerative. The situation is one which the stoutest optimist might regard with dismay. But, gentlemen, we must not lose heart; there is a ray of hope illumining the darkness around us. To a question put by Sir Victor Sassoon in the Legislative Assembly, drawing attention to the vast increase that has recently taken place in the imports of yarn and cloth, the Hon'ble the Commerce Member is reported to have replied that the Government of India "were watching developments." I need not say with what relief the industry has received this assurance. Things might easily have been worse; the Government of India might not have been watching the situation at all, and you can well imagine what the plight of the industry would have been under such tragic circumstances. As it is, we know that whatever may happen, the Government of India are keeping an eagle eye on the situation; in other words, that they are waiting like Micawber for something to turn up. What it is that Government are precisely waiting for, it is difficult for ordinary minds to appreciate. If they are laying the unction to their souls that they have done everything that was possible, and that for the rest it was for the industry to work out its own salvation, all I can say is they are living in a world of their own. As all who have followed the events of the last two or three years are aware, we have been reorganizing the industry in various directions, and earnestly striving to grapple with the difficulties with which it is confronted, but we are convinced that no definite improvement in the position is possible until a measure of assistance and encouragement is given, which Governments in other countries, less critical

in their mentality and more national in their outlook, have given to industries on which the prosperity of the people depends. Is it too much to hope that the Government of India at the head of which is a singularly high-minded statesman will presently see their way to doing something more than " watching developments," and will realize that the situation does not exactly call for the cold logic of a professor or the subtle reasoning of a lawyer ?

Gentlemen, the misdeeds of a Government may be a very exhilarating and inspiring topic on a public platform, but may prove somewhat depressing as a subject for an after-dinner speech. I shall, therefore, ring a change, and turn to minor delinquencies noticeable in quarters nearer home. As we have acknowledged on more than one occasion, His Excellency the Governor has truly realized the place the industry fills in the economic life of the Presidency, and has given his unstinted support to its just claims. It is somewhat of a mystery to me, therefore, that the Government of Bombay have not yet given effect to the recommendation of the Tariff Board for a substantial reduction of the Town Duty on cotton. I do not know what malevolent influences are at work which prevent His Excellency's undoubted sympathy for the industry from being translated into practice in this instance. I am aware that my friend the Finance Member—for whose tact and capacity we have great respect—has a rooted and constitutional dislike for withdrawing his hands from our pocket once he has put them in ; and between him and the Department for the Development of Estimates and Expenditure, popularly known as the Development Department, I am sure they can adduce a hundred ingenious reasons for withholding the relief we seek. I hope, however, that you, sir, will not allow their ingenuity to triumph. I believe that your Government are negotiating with the Municipality about the exact shares in which the resultant loss of revenue should be borne, and it would appear, from a letter I have seen, that Government would have no objection to reducing the duty, provided the Municipality had the good sense to bear practically the whole of the loss. I hope that does not mean, however, that we are to be left in this matter to the tender mercies of the Municipal Commissioner and the Corporation. Every one who knows Mr. Clayton recognizes him as a very cheery sort of person, overflowing with the milk of human kindness, but it distresses me to say that he is on occasions positively hard-hearted in his dealings with us; and as for the Corporation, words fail me ; and even if they did not, I dare not utter all that I could say. This is not the occasion, however, to discourse on the financial vagaries and exactions of Government and other public bodies. I shall only say that between them all, life is becoming a burden to the individual, and trade and industry are fast being taxed out of existence. The capacity of the taxpayer is by no means commensurate with the rapacity of those who control his destinies, and it is becoming increasingly clear that the more he is squeezed the less he can pay.

Gentlemen, I must apologise for delivering myself of so many harrowing reflections at a function held in honour of the head of the Presidency. If I may be allowed to say so, I have great sympathy with the lot of a Governor. From the moment that he lands and is presented with a so-called address of welcome, he hears nothing but grievances, until he must feel it to be an appalling and hopeless task to attempt to redress so many wrongs, and to bring back so many erring individuals and institutions to paths of righteousness. I must say His Excellency has stood it all with remarkable cheerfulness and good humour. But even if His Excellency's capacity for taking a philosophical view of his lot were unlimited, I must remember that this is perhaps the last occasion on which we have the privilege of having His Excellency amongst us, and it is necessary, therefore, that I should strike a different note before I come to the end.

Gentlemen, within a few months, His Excellency will lay down the reins of office. This is neither the time nor the occasion for appraising his work, but whatever the ultimate verdict may be, I am sure he will leave behind, as I hope he will carry away, none but the most pleasant memories. Sir Leslie Wilson has not only proved himself a true friend of the industry ; he has proved himself a friend of every class and section of the people, and has identified himself with the many-sided life of the Presidency as few Governors have done. If a volume of the speeches he has delivered during the last four years were compiled, His Excellency would be startled more than anyone else at the wide range of subjects he has dealt with, and the extraordinary variety of functions he has attended. He might well claim that he has been in every sense of the word, the First Citizen of Bombay.

Gentlemen, I will not detain you any longer ; I give you the toast of His Excellency the Governor.

HIS EXCELLENCY THE GOVERNOR'S SPEECH:—

Mr. Chairman and Gentlemen.,—I am very grateful for your invitation to dine with you to-night, and for the generous terms in which you, Mr. Chairman, have proposed my health, and I greatly appreciate the kindness with which you have responded to the toast.

As you have said, Mr. Mody, I have been fortunate enough to enjoy the hospitality of the Millowners' Association on several occasions, and have much appreciated, as I do to-night, their bountiful hospitality. As a matter of fact, this is the second time within three months that I have had the privilege of being your guest, and I well remember, last time, how much I enjoyed the excellent dinner to which I was entertained, and with what eager anticipation I looked forward, Mr. Chairman, to your speech—happy in the thought that, contrary to usual practice, I should not be called upon to reply to it. My recollection of your speech that evening is that I was surprised at its moderation. As you have truly said, you then resisted all temptation to inflict on your distinguished guest the woes and grievances of the textile industry. There is no one, I think, who can better express his thoughts in language, and yet you let this golden opportunity slip! You had beside you the head of a Government with whose policy in some matters you entirely disagree, and I was looking forward with interest and keen anticipation to a speech somewhat on the lines of that which you have just delivered. I think I am almost justified in a complaint that I am, to-night, being used as some form of telephone through which the sad tale just poured out is to be transmitted to that quarter which is the only one which can redress the grievances of the cotton mill industry, instead of your having utilized the direct communication available to you. Your tale of what you term 'harrowing reflections' is in sad contrast to the cheerful surroundings of the Willingdon Club, and the cheerful faces I see around this table. As I listened I felt that perhaps you, sir, had mistaken your real vocation in life. I was reminded of what I had just read in the English newspapers about the weather there during the last two months—how it rained for 31 days in January, and would no doubt have rained for the same number of days in February had there been so many days in that month—and how one depression from Iceland or Greenland followed another to the coasts of Great Britain in perpetual succession. I felt, Mr. Chairman, that, while we all acknowledge your great gifts in the walk of life which you have elected to follow, you were rapidly qualifying for a high appointment in the Meteorological Office!

To those who are in the depths of depression the usual expressions of condolence have little value. It is, I feel, useless to remind you that "It is a long lane that has no turning," or that "It is always darkest before the dawn," or that it is both a mathematical and a physical fact that every trough is followed by a wave, and that every curve begins to rise from its lowest point.

Looking about for some suitable form of consolation, I have, I think, found it, from a hint given in your speech, in the phrase that "there is never a bad but there might be a worse." The position of the cotton mill industry in Bombay might indeed have been worse than it is to-day. Comparisons, I know, are always odious, but the position in Bombay might have been as bad as it is to-day in Lancashire. Again, it might have been worse, not only, as you said, if the Government of India had not been watching the situation, but if the same Government had not given up, from December 1925, excise revenue amounting, in the last year in which it was levied, to over two crores of rupees, out of which the lion's share of the benefit came to Bombay City. It might also have been worse, may I suggest, if the Government of India had not given up last year the customs duty on mill machinery and stores, which amounts to nearly a crore of rupees a year.

Much as we all deplore the present period of depression—and I need not assure you that I fully sympathise with you in your present difficult situation—I think it is clear that the industry in Bombay has passed through phases which are familiar to every student of economics. There is first the period of shortage of a particular commodity, with the necessary accompaniment of high prices. The result is that, at that stage, large profits are made, and capital and enterprise are attracted by the prospects of a handsome return. Next comes the period of over-production, with a consequent fall in prices, and a state of depression as inevitable as the early morning headache which overtakes those who may, on the previous evening, have dined not wisely but too well. I fear, however, that it would be but poor consolation to such a sufferer to say that his fate was only to be expected, just as it must

convey little consolation to you to realize that the present situation is due, to a very great degree, to economic causes beyond the control of Government or of yourselves.

Instead of dwelling too long on the past and the present, let us rather turn to the future, and see whether there are no evidences of better times to come. It appears to be generally agreed in England that the prospects of an early revival in the world's trade are good, and, if this prophecy turns out to be true, as we all hope it may, you may look forward to sharing in that prosperity. The public also appear to have faith in your future, for, out of 45 Bombay cotton mills, whose share prices are reported in the Press, I notice that the shares of 25 are still above par, and the shares of no less than 8 stand at a figure more than twice the amount paid up on their shares.

Whatever the future may have in store for your great industry, I wish you to realize that I shall do all that lies in my power to help you in having your legitimate grievances redressed. I am very grateful for all that has been said regarding any assistance I have been able to give in the past, and I hope that the Association will see, before long, some revival of the prosperity it enjoyed only a few years ago—a prosperity which spells not only success to the mill industry, but which means that Bombay flourishes, for on your great industry depends, to so great an extent, the welfare of the city and the whole Presidency.

My remarks up to the present have been, if I may say so, somewhat impersonal as regards my position as head of the Administration in Bombay, for all the matters with which you, Mr. Chairman, have dealt, have been matters which primarily affect you and the Government of India—except one. I remember a remark which you made three months ago, when you said that you have sometimes had the exhilarating experience of finding both the Government and the public against you. I sympathise with you because, in the other matter to which you have referred, namely, the reduction of the Town Duty on cotton, it would seem that the Government of Bombay has the Tariff Board and the Millowners against it. These combinations are always distressing to the party attacked. I appreciate your remarks about my very able Finance Member, and he would not be an able Chancellor of our Exchequer if he readily, in our impoverished circumstances, gave up any portion of our attenuated revenue; but, in this connection, there is another important party to consider, namely, the Corporation, and, while we have approached that body on this question, we have not yet ascertained from them as to how they view the proposal to give up a considerable amount of their income, which is derived from this source. You, sir, as a prominent member of that body, probably know more about this than I do—in fact, I am sure you do, for I could not know less of what is running in the minds of the officials and members of that body. As you say, this is not the occasion to discourse on the financial vagaries of Government or other public bodies, and I will not pursue the subject further, for I might be tempted to examine the question as to how far this particular exaction—which I think is the word you used—is really borne by the millowners themselves, and how far by the producer and others who deal with this great industry of cotton producing, buying, selling and shipping. I can only suggest, for the moment, that the Association should adopt the policy of the Government of India to which you have alluded, and 'watch developments.'

Now, sir, I should like to refer for one moment to your very kind remarks about myself. I have valued much the friendly relations which have always existed between your Association and myself, and, in all our dealings on any question, it is a matter of keen gratification to me to realize that we have ever remained on the most friendly terms. I appreciate to the full your sympathy with the lot of a Governor. Believe me, there are moments when he deserves that sympathy to the full, but when an Association, like yours, voices sentiments such as you have been good enough to express about myself, difficulties which present themselves, troubles which worry one's mind, and the solution of problems which appear almost insoluble, can be met much more easily, and in a more cheerful and hopeful spirit. I am most grateful for all you have said, and I deeply appreciate your extremely kind remarks.

It is a sad thought that this will probably be the last occasion I shall be able to accept your generous hospitality, but I shall always remember the very kind words which you have used to-night in saying that you, the Millowners of Bombay, look upon me as a true friend. As such, I wish you very well in the future for all time to come.

Bombay Millowners' Association.

Section II.

FOREWORD, PRELIMINARY REPORT AND ACCOUNTS OF THE ASSOCIATION.

REPORT

OF THE COMMITTEE OF THE

BOMBAY MILLOWNERS' ASSOCIATION

For the Period 1st January to 31st December, 1927.

FOREWORD.

It is generally anticipated that the cotton mills of Bombay as a whole will show better results for the year 1927 than during the preceding year, or in other words, the combined losses for 1927, taking depreciation into account, will not be as heavy as in previous years. From the balance-sheets of a few concerns already published it may be assumed that such expectation is certain to be realized. This, however, by no means indicates that there has actually been a healthy trade recovery or that the difficulties which confronted the industry have disappeared or even materially diminished. The profits earned are in most cases merely due to the purchase of abnormally cheap American cotton and the rise in the cotton market after such purchases were made. Had the industry really prospered, stocks of both yarn and cloth would have diminished during the year under review. On the contrary, stocks at the end of the year showed an increase of about 30% for cloth and 15% for yarn in spite of the fact that on an average about 10% of looms and 20% of spindles had remained idle during the year. Even those mills which have shown fair profits for the year were actually working at a loss during the last two or three months of the year when they had not the advantage of the cheap American cotton, the same having been used up. Again, if we turn to import figures, it will be clear that the competition during the year was even keener than before and under the circumstances it was scarcely possible to sell our own products at remunerative rates. The total imports of piece-goods of all descriptions into Bombay rose from 362 million yards in 1926 to 460 million yards in 1927 or an increase of about 27%. It should be noted that imports from Japan alone rose from 82 million yards in 1926 to 115·9 million yards in 1927 or a rise of 40%. Similarly, if we take combined imports from the United States, Italy and Switzerland, there was an increase of about 50%—from 35·6 to 52.4 million yards. Imports of yarn also rose from 32 million pounds in 1926 to 42 million pounds in 1927 showing an increase of about 28%. These figures give a clear indication of the depressed state of our industry. Before entering into a detailed survey of the state of the cotton, yarn and cloth markets during the year 1927, it must be stated that the outstanding event of the year was the publication of the Textile Tariff Board Report and the Resolution containing the Govern-

ment's decision thereon. This decision was subsequently modified to a certain extent and a Bill giving some relief to the purely spinning section was passed by the Assembly. Since this meagre relief was granted, the industry has by no means improved in spite of various economies effected and it appears that it is not likely to revive in the near future unless Government resolve to grant protection to the industry on the lines recommended in the Majority Report.

The cotton market has seen during the year under report very large fluctuations, the lowest price being Rs. 250 for Broach contracts for April/May 1927 delivery at the beginning of the year, the highest Rs. 490 on 9th September for April/May 1928 contracts, after which there was a decline again, the lowest quotation being Rs. 358 on 14th December. Whilst these figures represent the extreme fluctuations, the intermediate variations have also not been small, specially after the maximum of Rs. 490 was recorded.

The year opened with a steady undertone with Broach April/May at Rs. 254 and showed a more or less steady rise, the gain in January being Rs. 12. This rise continued during February when for the first time after a long period, towards the close of the month prices rose over Rs. 300. The American markets also showed during these months a similarly steady rise, the March contracts opening at 14·18 gaining about 150 points during the two months. The month of March saw even greater daily fluctuations, the highest and lowest being Rs. 310 and Rs. 286 following fluctuations in the American markets on reports of expected reduction of acreage for the new crops and the passing of the Farmers' Relief Bill by the American Senate and its vetoing by the President. In the month of April there were two conflicting factors which were responsible for very wide fluctuations in the market—excessive floods in America and a financial crisis in Japan. The range in local prices during the month was Rs. 274-8 to Rs. 310-8, the tone of the market towards the end of the month being very strong.

Business in 1928 crop Broach was allowed from 2nd May, prices opening at a premium of Rs. 11 over old crop contracts for May delivery which were quoted at Rs. 300 July/August, being then quoted at Rs. 305. The advance in prices continued practically throughout the month, the closing being very nearly the highest for the month. The continued rise was entirely due to reports of unfavourable weather and increased boll-weevil infestation and was checked when in the beginning of June, better weather reports were circulated. The month of June saw some wide fluctuations both here and in America although at the close of the month prices were at the same level as at the beginning. But about the middle of July, prices rose rapidly, January contracts being quoted in America at about 19½ cents, a rise of nearly 200 points, the highest price reached here being Rs. 394-4 for April/May 1928 Broach contracts, a gain of about Rs. 50 in the month. From this high level, on publication of Hester's carry-over figures and indications of a crop of about 15 million bales, prices heavily reacted, losing in less than a week more than 225 points in America with a similar but smaller decline in the local market. The publication of the first Bureau report indicating a crop of 13½ million bales only sent the prices up soaring before another week was over to the 20 cent level, and a regular Bull fever appeared

to take possession of the market following reports of bad weather, and the publication of the second Bureau report confirming the deterioration in crop and giving an estimate of 12,692,000 bales sent prices up, January contracts nearly touching 24¾ cents and the local market registering Rs. 490 in the late hours of the 8th September as stated above. A crop estimate of 12½ million bales was regarded as very bullish, and yet, curiously enough, the rapid rise in prices seemed to have sapped the vitality of the market, for from this point onwards, the market continued to sag heavily with intermediate rises which could not be maintained. In the short space of a fortnight, between 8th and 23rd September, prices showed a net decline of about 4½ cents. From thence onwards with crop prospects practically remaining the same, the market was very unsettled with frequent and large rises and falls, but always in the nett result showing a decline in prices. Fluctuations were also wide, the difference between the highest and lowest prices in New York on the same day being more than 100 points at times, and differences of 50 points being frequent. The local market did not show quite the same heavy variations. The second lowest prices for the year were reached in New York on the 13th December when January was quoted at 17·90 cents and here on the 14th inst. when Broach was sold at Rs. 357-8. The second half of December saw a hardening of prices, and the markets closed with a steady tone with New York January at 19·58 cents and Broach at Rs. 386-8.

One important change was made by the East India Cotton Association during the year when they rescinded their resolution fixing trading hours from noon to 6 p.m. Trading has now been made open for 24 hours, the action being necessitated, in the opinion of the Directors, by the test case against the Mahajan Association instituted by the Police being decided in the Mahajan's favour.

Another important step the East India Cotton Association propose taking, is the recognition of " Option " contracts. The question, however, has not been settled pending information from Liverpool and New York markets.

The position in the yarn market continued unsatisfactory throughout the year, the rise in the price of cotton not being followed by a proportionate rise in the prices of yarns. How serious the position has been may be judged from the fact that the number of inactive spindles went on increasing practically from month to month, and at the end of the year over a fourth of the spindles on site were idle. In spite of this, the stocks with the mills at the end of the year stood at a higher figure than at any other period during the year under report. The prices of 10s and 20s yarns which were. 7 annas and 8¾ annas a pound at the end of 1926 reached their highest in the middle of September with quotations at 10½ annas and 12½ annas a pound. The year closed with prices at 9½ annas and 11½ annas a pound with very poor demand. For all counts of saleable yarn prices remained unremunerative more or less throughout the year.

The cloth market also remained very much in the same unsatisfactory state. While till the end of April prices showed an improvement following cotton, and stocks did not increase appreciably, with the unsettled state of the cotton market in May and June, confidence of the buyers was shaken and stocks began to rise rapidly, although nominal quotations remained steady. With the feverish activity in cotton that set in after the publication of the first Bureau report in August, the cloth market also became active on speculative buying based on cotton crop reports, without any actual demand from consuming centres. As a result mill stocks, which stood at their highest at the end of July, showed a welcome decrease which, however, was not large, as most of the purchases were of a speculative nature. But as cotton prices showed continuous weakness from the middle of September till the end of November which is normally the buying season for cloth, much of this speculative purchase was thrown back on the market at considerable loss, and stocks at the end of the year stood at a figure representing more than $2\frac{1}{2}$ months' production. As regards prices, standard longcloth which at the beginning of the year was quoted at $13\frac{1}{2}$ annas per lb. reached the height of $17\frac{1}{2}$ annas, at which rate sales are reported to have been made among bazaar dealers, but no sales were made by mills at these rates, the highest rate at which sales were made by the mills being reported at $16\frac{1}{2}$ annas per lb. The rate at the end of the year was 15 annas a pound with demand on a moderate scale.

In the February session of the Assembly, Government carried through their proposal, in spite of strong popular opposition, fixing the rate of exchange at 1*s.* 6*d.*, and since then they have taken all possible steps to see that this rate became effective. As a consequence, exchange has shown only normal seasonal variations. It is difficult to see what hope the industry has of a revival so long as foreign imports continue to get a very substantial advantage by the fixation of this ratio whilst at the same time even a moderate measure of protection is denied to the industry.

ELECTION OF CHAIRMAN OF THE ASSOCIATION.

The annual ballot for the office of the Chairman of the Association was held on 16th January 1928, and resulted in the election of **Mr. Jehangir B. Petit.**

ELECTION OF DEPUTY CHAIRMAN OF THE ASSOCIATION.

The annual ballot for the above election took place on 23rd January 1928, and resulted in the election of **Mr. H. H. Sawyer.**

ELECTION OF COMMITTEE FOR 1928.

The ballot for the election of the remaining 18 members of the Committee was held on 24th January 1928, and the following members were duly elected :—

Sir Dinshaw M. Petit, Bart., Sir Victor Sassoon, Bart., Sir Ness Wadia, K.B.E., C.I.E., The Hon'ble Sir Dinshaw E. Wacha, Kt., Sir Fazulbhoy Currimbhoy, Kt., C.B.E., Sir Joseph Kay, Kt., The Hon'ble Sir Munmohandas Ramji, Kt., Mr. A. Geddis, Mr. Lalji Naranji, Mr. H. P. Mody, The Hon'ble Mr. Ratansi D. Morarji, Mr. N. B. Saklatvala, C.I.E., Mr. S. D. Saklatvala, Mr. F. F. Stileman, Mr. F. Stones, O.B.E., Mr. Madhavji D. Thackersey, Mr. C. N. Wadia, C.I.E., and Mr. T. Watts.

MEMBERSHIP OF THE ASSOCIATION.

The total membership of the Association on 31st December, 1927, was 97 against 95 at the same time in 1926.

During the period under reference the Alliance Cotton Manufacturing Co., Ltd., ceased to be members of the Association and the undermentioned mills were elected members of the Association :—

(1) The Pralhad Mills, Ltd.

(2) The Mahaboob Shahi Kulburga Mills Co., Ltd. (Secunderabad).

(3) The Sree Laxmi Mills.

THE BOMBAY LEGISLATIVE COUNCIL.

Association's Representative.

Mr. Jehangir B. Petit was returned unopposed to the Bombay Legislative Council as the Association's representative in place of **Mr. C. N. Wadia, C.I.E.,** resigned.

INDIAN CENTRAL COTTON COMMITTEE.

Association's Representative.

Under Rule 3 of the Indian Cotton Cess Rules, **Mr. S. D. Saklatvala,** the Association's representative on the Indian Central Cotton Committee, completed his term of office on 31st March, 1927, and the Committee of the Association were invited to nominate a representative. The Committee re-appointed **Mr. S. D. Saklatvala,** and also took the opportunity to convey to him the Association's appreciation of his valuable and conscientious services on behalf of the industry during the time he had been a member of the Central Cotton Committee.

THE BOMBAY PORT TRUST.

Association's Representative.

The term of office of the Association's representative **Mr. N. B. Saklatvala,** on the Bombay Port Trust, expired under the provisions of Section 9 of the Bombay Port Trust Act, on 31st March, 1927. The Secretary to the Bombay Port Trust, while drawing the Association's attention to this fact, stated that under the provisions of Sections 6 and 10 of the Act, the Association should elect on some day between the 1st and 15th March, 1927, a trustee for a term of two years commencing from 1st April, 1927.

In accordance with the prescribed regulations, **Mr. A. Geddis** was elected as the Association's representative.

THE BOMBAY IMPROVEMENTS COMMITTEE.

Association's Representative.

Mr. S. D. Saklatvala was returned unopposed to the Bombay Improvements Committee as the Association's representative in place of **Mr. C. N. Wadia, C.I.E.,** resigned.

BOMBAY SMOKE NUISANCES COMMISSION.

Mr. N. B. Saklatvala, C.I.E., one of the representatives of the Association on the Bombay Smoke Nuisances Commission having resigned his seat in July, the Committee of the Association appointed **Mr. H. H. Lakin** to fill up the vacancy. About the end of August a letter was received from the Government of Bombay stating that the period of appointment of the Bombay Smoke Nuisances Commission would expire on 31st December, 1927, with effect from which date a new Commission would be constituted under the Act for a further period of two years. Government therefore requested the Association to suggest the names of two representatives for the ensuing year. In reply, the Committee requested Government to reappoint the present representatives, **Mr. H. H. Lakin** and **Mr. W. A. Sutherland.**

ADVISORY COMMITTEE ON THE BACK BAY RECLAMATION SCHEME.

The Government of Bombay published the following resolution on 27th July 1927 :—

"The Governor in Council is pleased to appoint a committee consisting of the following members to advise Government on all important matters regarding the Back Bay Reclamation Scheme, which are referred to them for their opinion :—

Four representatives, one each to be elected by the Bombay Municipal Corporation, the Bombay Chamber of Commerce, the Indian Merchants' Chamber and the Millowners' Association, Bombay.

J. McClure, Esquire, Chief Engineer, Bombay Port Trust (subject to the approval of the Trustees for the Port of Bombay).

J. W. Mackison, Esquire, C.I.E., Special Engineer, Development Works, Bombay Municipality (subject to the approval of the Bombay Municipal Corporation).

Mr. H. St. C. Smith, Deputy Secretary to Government, Development Department, should be appointed as Secretary to the committee.

2. The term of office of the members of the committee should be for three years in the first instance. Orders regarding the chairmanship of the committee will be issued later.

3. The committee should advise Government on all important matters regarding the Back Bay Reclamation Scheme which are referred to them for their opinion. The committee will thus assume the duties hitherto performed in respect of the Back Bay Reclamation Scheme by the old Advisory Committee attached to the Development Directorate.

4. The Chief Engineer, Back Bay Reclamation Scheme, should attend all the meetings of the committee unless excused by them from attendance. The other officers of the Development Department should attend its meetings, when required by the committee."

While forwarding a copy of the resolution to the Association, Government requested the Committee to nominate a representative on the Advisory Committee. In reply, Government were informed that one of the strongest criticisms brought against the different activities of the Development Department was that many important questions were not referred to the Advisory Committees concerned, and the Committee of the Association hoped that Government would see that the same policy was not followed in regard to the new Advisory Committee now proposed to be formed. The

Committee maintained that if the Advisory Committee was to serve any really useful purpose, *all* important questions pertaining to the Back Bay Reclamation, *without reservation*, should be referred to them for their opinion, and they hoped Government were in agreement with this view. On this understanding, **Mr. J. B. Petit,** the Association's representative on the Advisory Committee in connection with the Industrial Housing Scheme, was appointed to act as the Association's representative on the new Advisory Committee.—(*Appendix* **1.**)

BOMBAY INFANT WELFARE SOCIETY.

Association's Representative.

The Hon'ble Mr. Ratansi D. Morarji, the Association's representative on the Executive Committee of the Bombay Presidency Infant Welfare Society having sent in his resignation, the Secretary of the Society requested the Committee of the Association to nominate another representative, and the Committee appointed **Mr. S. D. Saklatvala.**

NATIONAL BABY WEEK.

The Hon. Secretary of the Organizing Committee of the National Baby Week, addressed a letter to the Association stating that the Baby Week celebrations would be held during the early part of 1928 and requesting the Association to nominate a representative. He suggested that **Mr. S. D. Saklatvala,** who acted as the Association's representative during the previous three years, might be re-appointed. **Mr. Saklatvala** was accordingly appointed to act as the Association's representative.

THE RAILWAY RATES ADVISORY COMMITTEE.

(*See pages* 16 *and* 160 *of Report for* 1926.)

Early in October the Railway Board informed the Association that a revised list showing names and addresses of the commercial representatives for service on the Commercial Panel of the Rates Advisory Committee would be published shortly in the *Gazette of India* and requested the Association to furnish them with any alteration to be made in the list of members representing the Association. In reply the Railway Board was informed that no alteration was to be made in the list.

The Association's representatives on the Commercial Panel of the Rates Advisory Committee are:—**Messrs. H. P. Mody, A. Geddis, Narottam Morarji** and **S. D. Saklatvala.**—(*Appendix* **2.**)

AUDITORS OF THE ASSOCIATION.

At the Annual General Meeting of the members of the Association held on 3rd March, 1927, Messrs. A. F. Ferguson & Co. were again elected as Auditors of the Association's accounts for the current year on the usual terms.

ASSOCIATION'S FINANCES—AMENDMENT OF RULE 94 OF THE ASSOCIATION'S RULES AND REGULATIONS.

Members are aware that at the last Annual General Meeting of the Association it was resolved that the following words be added after Rule 94 of the Association's Rules and Regulations :—

> " and, in particular, may from time to time at their discretion raise or borrow or secure the repayment of any sum or sums of money in such manner and upon such terms in all respects as they think fit."

For purposes of record it might be stated here that the necessity for this amendment arose from the fact that when the annual subscriptions of the Association were received in January every year the balance in the bank was unnecessarily large and it had been the rule during the last few years to place the available proportions of this balance out at interest as fixed deposits for 3, 6 and 9 months. Though this method enhanced the interest received by the Association as compared with the old days, it was found on calculation that it would be still more advantageous to obtain a credit loan from the Imperial Bank to meet the year's current expenditure and pay interest thereon at bank rate in order to be able to invest the whole of the available funds. It was estimated that by this procedure the Association would be making a saving of about Rs. 1,700.

An inquiry was accordingly made of the Imperial Bank of India as to the terms on which they would grant loans to the Association against Government securities, but the Imperial Bank drew the Association's attention to the fact that the rules and regulations of the Association did not provide for borrowing.

The Association's solicitors were therefore requested to so amend the present rules as to make it permissible for the Committee to borrow money, and the solicitors suggested that there should be a comma after the word " meeting," the last word in Rule 94 of the Rules and Regulations of the Association, and then should follow the words already quoted above.

The amendment suggested by the solicitors was approved of by the Committee, and was sanctioned by the general body of members at the Annual General Meeting held on 3rd March, 1927.

STANDING SUB-COMMITTEES.

In the seventy-seventh paragraph of their report, the Tariff Board (Cotton Textile Industry Inquiry) stated that they were convinced that closer attention to detail on the part of the Millowners' Association was called for, and they therefore suggested the constitution of a number of working sub-committees. Early in January 1927, i.e., some months before the publication of the Tariff Board report, the advisability of forming sub-committees was suggested by the then Chairman, Mr. A. Geddis, who in a special note drew the attention of the Committee to the fact that owing to the complexity and multiplicity of the subjects to be dealt with and in the time available, it

was difficult to study the different questions coming up before the Committee in sufficient detail and to append a minute worthy of the subject under reference. As a means of overcoming these difficulties, Mr. Geddis suggested the formation of Standing Sub-Committees consisting of members who had special knowledge of the special sub-division of work to be performed by the particular sub-committee. After careful consideration, the following Standing Sub-Committees were formed, and usually the more important subjects coming up before the General Committee are first studied by the corresponding Sub-Committee, and the expert reports of the Sub-Committee considerably facilitate the formulation of views by the General Committee.

Finance and Economic Sub-Committee.

This Sub-Committee deal with important references requiring special study concerning currency and exchange, imperial, provincial and municipal taxation, protection of Indian industries, economics, and are responsible for the preparation of draft representations on these subjects for consideration by the Committee.	Sir Victor Sassoon, Bart. Sir Dinshaw M. Petit, Bart. Sir Ness Wadia, K.B.E., C.I.E. Sir Joseph Kay, Kt. The Hon. Sir Munmohandas Ramji, Kt. Mr. N. B. Saklatvala, C.I.E.

Trade Development Sub-Committee.

This Sub-Committee are responsible for the initiation of concrete proposals for a constructive policy of combined action for the development of the home and export trade of the mill industry of this country. Consideration of the tariffs of this country and of other countries so far as affecting the trade in Indian mill-made yarn and piece-goods is also entrusted to this Sub-Committee.	The Hon. Sir Munmohandas Ramji, Kt. Mr. A. Geddis. ,, Lalji Naranji, M.L.C. ,, S. D. Saklatvala.

Labour and Raw Materials Sub-Committee.

This Sub-Committee deal with all the more important references concerning labour, housing and welfare and the preparation of draft representations, etc., on these subjects. All questions relating to the raw material of the industry, viz., cotton, are also dealt with by this Sub-Committee.	Sir Ness Wadia, K.B.E., C.I.E. Mr. Lalji Naranji, M.L.C. ,, J. B. Petit, M.L.C. ,, S. D. Saklatvala. ,, H. H. Sawyer, ,, C. N. Wadia, C.I.E.

Technical Advisory Sub-Committee.

This Sub-Committee deal with all important references of a technical nature.	Mr. D. F. Batliwala. ,, S. D. Saklatvala. ,, J. Taylor. ,, C. N. Wadia, C.I.E. ,, T. Watts.

The Chairman and Deputy Chairman of the Association are *ex-officio* members of all Standing Sub-Committees.

MEETING WITH THE DIRECTOR-GENERAL OF COMMERCIAL INTELLIGENCE.

Dr. D. B. Meek, the Director-General of Commercial Intelligence, met the Committee of the Association on 25th January 1927 when an interesting discussion took place regarding the statistics issued by the Department of Commercial Intelligence and the improvements that might be made therein. The Government of India have decided that the Director-General of Commercial Intelligence should meet the Committee of the Association at least once every year, and the Committee heartily welcome this decision as such annual meetings cannot but prove helpful to the Association as well as to Government.

MEETING WITH THE HON'BLE SIR GEORGE RAINY.

The Hon'ble Sir George Rainy, K.C.I.E., C.S.I., I.C.S., the Commerce Member of the Government of India, very kindly met the Committee of the Association on two occasions, on 7th April 1927 and 27th June 1927 respectively.

On the first occasion, various questions of importance to the cotton textile industry of this country were discussed, especially the inordinate delay on the part of the Government of India in publishing the Tariff Board's report. On the second occasion, Sir George Rainy came down to Bombay specially to discuss with the Committee of the Association their criticisms on the first decisions of the Government of India regarding the recommendations of the Tariff Board. The discussion on both the occasions was very illuminating and the Committee desire to record their grateful appreciation of the courtesy and consideration shown to them by the Hon'ble the Commerce Member, and they trust that during his regime he will make it a rule to meet them at least once a year to discuss important questions affecting the great industry which this Association represents.

INTERVIEW WITH MR. A. R. LOFTUS TOTTENHAM.

Mr. A. R. Loftus Tottenham, M.A., C.I.E., I.C.S., Member, Central Board of Revenue, visited Bombay about the middle of September and, as usual, he inquired of the Association, through the Commissioner of Income-tax, Bombay, whether the members of the Committee would like to meet him and discuss questions of special interest regarding the Income-tax Law and Procedure. Mr. F. Stones, Mr. N. B. Saklatvala and Mr. T. Maloney accordingly met Mr. Loftus Tottenham on 15th September, when certain questions were discussed. Out of deference to the desire expressed by Mr. Loftus Tottenham, details of the discussion are not published.

PROTECTION FOR THE COTTON TEXTILE INDUSTRY OF INDIA.

(*See pages* 35 *and* 175 *of Report for* 1926.)

PUBLICATION OF THE TARIFF BOARD'S REPORT—GOVERNMENT'S DECISIONS THEREON—ACTION TAKEN BY THE ASSOCIATION—GOVERNMENT'S REVISED DECISION AND LEGISLATION FOR THE PROTECTION OF COTTON YARN.

DELAY IN THE PUBLICATION OF THE TARIFF BOARD'S REPORT.

During the first half of the year under review, considerable dissatisfaction prevailed among those connected with the cotton trade at the inordinate delay in the publication of the Tariff Board's report which, it was understood, was submitted to Government early in January. Several letters and telegrams were sent to the Government of India protesting against this delay which was creating uneasiness in commercial circles generally and raising apprehensions about Government's attitude. The Committee pointed out in these letters and telegrams that when the Tariff Board was appointed in the earlier part of 1926, it was never for a moment imagined that the report would not be available for consideration during the January session of the Assembly, and that His Excellency the Viceroy's pronouncement in the Legislative Assembly on 24th January 1927 gave further assurance that on receipt of the Tariff Board's report, the Government of India would arrive at a speedy decision on the recommendations contained therein. The Committee further stated that trade was being greatly hampered owing to the uncertainty which the delay in publication had engendered, and the doubt as to whether any steps could be taken immediately on the recommendations which Government might make if the Assembly was not in session.

—(*Appendix* **3.**)

PUBLICATION OF THE TARIFF BOARD'S REPORT.

The report of the Tariff Board was at last published on 7th June 1927, together with the Government of India's resolution setting forth their decisions on the report.

It is satisfactory to note that the Tariff Board definitely endorsed the case put forward by the Association regarding the unfair nature of the competition from Japan and the need for protective measures to offset this unfair competition. In para 35 of the report, the Board said :—

> " Our examination of the nature and extent of Japanese competition will, we think, have established that that competition has exercised and continues to exercise a depressing effect on the Indian cotton mill industry as a whole."

After pointing out how the inferior labour conditions in Japan, both in regard to hours of labour and the employment of women and juveniles at night, rendered this competition " unfair " the Tariff Board went on to say :—

> " Our conclusion, therefore, is that unfair Japanese competition is an important cause of the present depression in the cotton textile industry."

In para 91 of the report, the Tariff Board said :—

> " We are agreed that, in addition to the protection afforded by the present import duty of 5 per cent. on yarn and 11 per cent. on cloth, a moderate measure of protection can be justifiable for such period as the labour conditions in Japan continue inferior to those in India."

There was, however, difference of opinion among the members of the Board as to the measures to be adopted to give the requisite protection to the industry. The majority consisting of Rai Bahadur Pandit Hari Kishan Kaul and Prof. Subba Rao, recommended the raising of the import duty on cotton piecegoods from 11 per cent. to 15 per cent. for a period of three years and the payment, for a period of four years, of a bounty of one anna per lb. or its equivalent, on yarn of 32s and higher counts based on the production of an average of 15 per cent. of the total working spindleage in a mill. These proposals did not meet with the approval of the President of the Board, Mr. Noyce, who recommended an increase of 4 per cent. in the duty on cotton yarns and piecegoods imported from Japan.

The other important recommendations of the Board were that a combined bleaching, dyeing and printing works should be established in Bombay with financial assistance from Government and that the import duty on cotton textile machinery and certain mill stores should be abolished. Various other suggestions were made by the Tariff Board for improving the internal organization of the industry, and these are having the very careful consideration of the Committee of the Association. It is expected that early in 1928 a letter will be sent to Government explaining what action is being taken on the various suggestions of the Tariff Board. A representative of the *Times of India* interviewed the Chairman, Mr. H. P. Mody, early in December and inquired as to what was being done in regard to these suggestions. The interview was published in the *Times of India* of 10th December 1927, and the public must have seen therefrom that the Tariff Board's suggestions are having the very earnest consideration of this Association.—(*Appendix* **4.**)

The First Decisions of the Government of India on the Tariff Board Report and the Action taken thereon by the Association.

The Government of India, in their resolution No. 341-T(27) dated 7th June 1927, after summarizing the recommendations of the Tariff Board, expressed their inability to accept any of the major recommendations for the protection of the industry against unfair competition but agreed to abolish the import duty on the principal mill stores and to consider the proposal for establishing a combined dyeing, bleaching and printing factory, after ascertaining the views of the Local Government and of the cotton mill industry in Bombay and elsewhere. The under-quoted extract from the Government of India's resolution contains their reasons for rejecting the more important proposals of the Tariff Board :—

"The Government of India are unable to accept the recommendation of the majority of the Board that the spinning of the higher counts of yarn should be stimulated by the grant of a bounty. They are satisfied that the administrative difficulties in working a scheme of the kind proposed are insuperable, and they agree with the view expressed by the President of the Board (Mr. Noyce) that a long-established industry, such as the cotton textile industry in Bombay, should need no stimulus at the cost of the general taxpayer, if such a development is in its own interest. As regards the proposal that Government should contribute towards the cost of establishing combined bleaching, dyeing and printing works in Bombay, the Government of India are unable to express any opinion until they have ascertained the views of the Local Government and of the cotton mill industry in Bombay and elsewhere.

"The rejection of the proposed bounty on the spinning of the finer counts removes the principal reason advanced by the majority of the Tariff Board for a general increase in the import duty on cotton piecegoods. The Government of India are also satisfied that, on the facts as found by the Board, no case has been established for a general increase in the duty as a measure of protection.

"The Government of India accept the finding of the Board that the advantage to Japan resulting from labour conditions in that country, until the amended Factory Law comes into full operation, in actual cost of manufacture may be assessed at about 4 per cent. on both yarn and cloth. In making this calculation, the Board has allowed for the fact that double shifts are universal in spinning mills in Japan, but not in weaving mills, in which the average hours worked are only 14·45 hours. But the majority of the Board omitted to make a corresponding allowance, when calculating the advantage, if a reasonable return on capital is included. Hence the advantage to Japan, when calculated on this basis, should be 10 per cent. on cloth, and not 12½ per cent. as stated by the majority of the Board. It follows that the advantage to Japan, even if a reasonable return on capital is included, is already sufficiently covered by the existing revenue duty of 11 per cent. on cotton piecegoods. No additional duty on this account can, therefore, be justified. The existing revenue duty on yarn is only 5 per cent., and in this case, if the calculation of the majority is accepted, the advantage to the Japanese mills is not fully covered. But an additional duty on yarn only would affect prejudicially the hand-loom industry, and for this reason should not be imposed."

Dissatisfaction with Government's Decision—Protests by the Association—Meeting with the Hon. Sir George Rainy.

The attitude taken up by Government that the 10 per cent. handicap to the Indian industry was more than covered by the existing 11 per cent. duty was absolutely untenable inasmuch as the Tariff Board had made it quite clear that the existing duties on yarn and cloth were insufficient for the purpose of protecting the industry and that it was necessary to levy additional duties.

The decision of the Government of India evoked bitter and widespread resentment and indignation throughout the country and on 10th June 1927, the Committee of the Association gave expression to their profound dissatisfaction in a telegram to the Government of India, Commerce Department, which is reproduced below :—

> " While greatly disappointed with the meagre character of the protection recommended by the Tariff Board Committee Bombay Millowners' Association have received with profound dissatisfaction and amazement Government's decisions thereon. Committee regard grounds advanced by Government for rejecting the recommendations for increasing import duties as utterly untenable and have reluctantly been forced to the conclusion that considerations other than those of the economic welfare of the country and the well-being of the industry have prevailed with Government. Committee regret Government should have rejected the studiously cautious conclusions of an authoritative body like the Tariff Board and are astonished at Government's apparent assumption that the Tariff Board have not considered the existence of the import duties on yarn and cloth when recommending an increase in them. Committee accordingly demand an immediate reference back to the members of the Tariff Board on this specific issue."

All India Millowners' Conference.

The Committee further decided to convene a conference of all-India millowners to consider the whole situation and decide what steps should be taken in the interests of the industry in view of the very unfortunate attitude adopted by the Government of India. A detailed account of the proceedings of this Conference which was held on 20th June is given in the appendix.

Under one of the resolutions adopted at the Conference, the Chairman, Mr. H. P. Mody, was authorized to forward to the Government of India a representation, copies of which were first circulated among those present, for their approval. In this representation, the arguments brought forward by Government for turning down the proposals of the Tariff Board were minutely examined, and it was pointed out how Government had misconstrued the conclusions of the Tariff Board and had made misleading statements in their resolution. Thus, Government had tried to make out that the primary object of the increase in duties on cotton cloth recommended by the majority of the Board was to provide the funds necessary for a bounty on the spinning of finer counts. That this statement did not convey a true idea of the facts was clear from the underquoted extract from page 177 of the Tariff Board's report :—

> " The fourth method which the majority of us favour is, therefore, that of an addition to the present *ad valorem* duty of 11 per cent. on all cotton manufactures other than yarn. Such a duty has, in our view, four great advantages. In the first place *it gives protection against unfair competition.* In the second, *it avoids complications arising from discrimination against particular countries.* In the third, it enables funds to be found to give a definite stimulus to the develop-

ment of the industry on the lines we have considered desirable, and, lastly, it obviates the necessity for certificates of origin which would be necessary to ensure that goods of foreign origin are not passed off as goods from any part of the Empire."

After this it was not surprising that Government, in summarizing the findings of the Board, should have stated that according to the Board "the present depression is partly due to competition from Japan," whereas the real finding of the Board was that the present depression was "partly due to unfair competition from Japan." The third misleading statement occurred in para 3 of the Government resolution wherein Government said: "In regard to imports from all countries other than Japan the Board has found there has been no change to the disadvantage of India as compared with the pre-war position." This was not correct. The majority of the Board had explicitly stated that an undoubted temporary handicap had been imposed on the industry by the stabilization of the rupee at 1*s.* 6*d.* On page 174 of the report they stated :—

> "We should have had considerable hesitation in proposing an increase in the import duty on this ground alone but the majority of us consider that the reasons we advance elsewhere for a small all-round increase in the import duty on cotton manufactures other than yarn are strengthened by the undoubted temporary handicap imposed on the industry by the stabilization of the rupee at 1*s.* 6*d.*"

In this connection, Government's attention was drawn to the fact that the exchange value of the yen which was at about its gold parity when the report was written, had since dropped materially thus rendering the position of the industry even more difficult.

The above-mentioned facts, in the opinion of the Conference, indubitably proved that in arriving at their decision to withhold protection of any kind from the industry, the economic interests of the country and the welfare of the industry did not weigh with the Government of India.

The Conference urged that Government should reconsider their decision in regard to the main recommendations of the Board, for it was not only in direct contradiction of the findings of the Tariff Board, but was also not in conformity with the assurances given by Government from time to time.

In concluding the representation, the Conference commended to the attention of the Government of India the following observation of the Tariff Board :—

> "The extent to which the prosperity of Bombay City and the Bombay Presidency is bound up with the fortunes of the industry needs no emphasis from us. In view of the dangers, financial and industrial, which are inherent in the continuance of the present condition, the case for as effective a measure of State-aid as possible does not appear to us to require elaboration."

About a week after the despatch of the above representation to the Government of India, the Commerce Member, the Hon'ble Sir George Rainy, at the request of the Committee, had a full and prolonged discussion on the whole subject in the rooms of the Association. Representatives of the industry from other parts of the country who had come to Bombay to take part in the deliberations of the All-India Millowners' Conference, also attended the meeting with Sir George Rainy, at the special invitation of the Committee of the Association. —(*Appendix* **5**)

The Deputation to the Viceroy.

Soon after the discussion with the Hon'ble Sir George Rainy, the Committee decided to place the whole case before His Excellency the Viceroy who very kindly acceded to the request of the Committee to receive a deputation of millowners in Simla. This deputation consisting of Mr. H. P. Mody, Mr. F. Stones, O. B. E., Mr. N. B. Saklatvala, C.I.E., Mr. A. Geddis, Sheth Chimanlal G. Parekh, Sheth Goverdhandas Ishwardas Patel, M.L.C., Lala Shri Ram, Mr. J. P. Shrivastava, M.L.C., and Mr. T. Maloney (Secretary, Millowners' Association), met His Excellency at the Viceregal Lodge, Simla, on 12th July when a free and frank discussion took place. After this interview with the Viceroy, the Government of India issued a *communique* explaining what happened at the interview, while Mr. H. P. Mody who led the deputation issued a statement to the Press giving his impressions regarding the interview.

The Press *Communique* and Mr. Mody's statement are reproduced in the appendix.

In his masterly speech on the occasion Mr. Mody brought home to His Excellency and his Government the strong feeling which existed against the decisions which had been arrived at by Government on the Board's findings. His Excellency gave a most patient and courteous hearing, and though he could not commit his Government to any definite attitude, promised a very careful consideration to all that had been urged on behalf of the industry.—(*Appendix* **6**)

Propaganda Work by the Association.

The Committee of the Association had, on the publication of the Tariff Board's report, appointed a Publicity Sub-Committee to take the necessary measures for placing all the facts of the case before the public, and this Publicity Sub-Committee prepared five pamphlets dealing very fully with the question of protection to the cotton textile industry from different aspects.

The first pamphlet had the following introduction :—

> "A great deal has been written on the subject of protection to the textile industry since the publication of the Government of India Resolution No. 341-T., dated 7th June 1927. But the controversies raised have by no means ended and a great deal more still remains to be said and done. With a view to remove all misconceptions and

misunderstandings that may exist on this subject and to enable every section of the people all over the country to arrive at the right decision, the Committee of the Bombay Millowners' Association have decided to issue brief pamphlets placing their case before the public of India in as impartial a manner as possible. No statement will be made that cannot be substantiated and whilst avoiding too many details as to statistics and technicalities enough materials will be placed before the intelligent reader to enable him to form an opinion. It is of course our intention to enlist the support of the reader and to invoke his active assistance in obtaining a revision of the Government's decision provided he is satisfied after a perusal of these pamphlets of the justice of our case."

The best thanks of the Association are due to Mr. S. D. Saklatvala for his laborious work on the Publicity Sub-Committee in connection with these pamphlets.

Debate in the Bombay Legislative Council.

Mr. Jehangir B. Petit, the Association's representative in the Bombay Legislative Council, moved the following resolution on 6th August 1927 :—

"This Council recommends to His Excellency the Governor-in-Council to take the necessary steps to bring to the notice of the Government of India the necessity of revising their decisions on the Tariff Board's report in the interests of this presidency generally and of the large classes of people in particular whose well-being depends directly and indirectly on the cotton textile industry."

After various party leaders had spoken in favour of the resolution, the leader of the House said that this was not a matter for the decision of the Local Government. The Tariff Board was appointed by the Government of India and protection was a subject which only that Government could deal with. Nevertheless, so much was this question bound up with the interests of the whole population of the Presidency that Government had no hesitation in accepting the resolution.—(*Appendix* **7.**)

Government's Revised Decisions—The Association's Criticisms Thereon.

The Association's determined fight since the publication of Government's first decision achieved partial success when, on 16th August 1927 Government published a Press *communique* giving their revised decisions. The day before the publication of this Press *communique* Government addressed a long letter to the Association in reply to the representation adopted at the All-India Millowners' Conference.

Government decided to impose a specific duty of 1½ annas per lb. on all imported yarn, unless its value exceeded Rs. 1-14-0 per pound, in which case the duty would be 5 per cent. *ad valorem*, this arrangement to remain in force till 31st March 1930, for the reason that under the Japanese Factory

Law, night work by women would be prohibited from the 1st July 1929, and it was expected that all yarn produced by mills employing women on night work would be off the market before the 30th March 1930. Government also decided to include in the list of machinery and mill-stores to be exempted from duty, bobbins and pirns, picking sticks, roller skins, and roller cloth, clearer cloth and sizing flannel. They also decided to word the definition of the dyes to be exempted from duty in such a way as to cover all coal-tar derivatives used in dyeing, and to reduce the import duty on artificial silk yarn from 15 per cent. to 7½ per cent. *ad valorem.*

As regards piecegoods, Government adhered to their original decision not to give any protection on the ground that the existing 11 per cent. duty was sufficient to offset the unfair advantage enjoyed by Japan, and that any increase in the duty would unfairly penalize the consumer. The arguments of Government were completely refuted in the Association's final reply.

In the fourth and fifth paragraphs of their letter, the Government of India disputed the contention of the Association that both the majority and minority of the Tariff Board considered that an addition to the existing revenue duty was necessary in order to safeguard the industry at least against Japan. The Government of India went on to say that according to Mr. Noyce, the only valid claim established by the industry was that the unfair advantage of the Japanese mills (which he assessed at 4 per cent. of the selling price) should be neutralised by a safeguarding duty and he therefore proposed that this duty should be added on to the existing revenue duty in accordance with the numerous precedents from the legislation of several countries including India. In effect, the Government of India maintained that in Mr. Noyce's opinion, the cotton textile industry would have no grounds for complaint even if the existing revenue duty on piecegoods were reduced to 4 per cent. That this conclusion was absolutely unjustifiable was obvious for several reasons. In the first place, had Mr. Noyce considered that a 4 per cent. duty would be sufficient to enable the industry to withstand competition from Japan, it would have been entirely unnecessary for him to take into consideration the effect of the existing revenue duties, or to make any comparison between the cost of imported goods and Indian goods. It was significant that practically the whole of Chapter V of the report was devoted to an examination of the comparative selling prices of Japanese and Indian goods and that this comparison was made in order to enable conclusions to be drawn "as to the correctness of allegations of undercutting." The Tariff Board, in conjunction with the Millowners' Association and the Customs authorities, made every effort to obtain accurate comparative figures, a most difficult task owing to the absence of reliable information regarding the prices of Japanese piecegoods, and the Board came to the unanimous conclusion that as regards the bulk of the Japanese imports of piecegoods, the selling prices in India were lower than the cost of manufacture to Indian mills even without making any allowance for profit or depreciation. This meant that Mr. Noyce as well as his two colleagues on the Tariff Board had found that even with an 11 per cent. import duty, Japanese piecegoods were under-selling Indian goods of the same quality which, in effect, could only mean that Mr. Noyce held that even an 11 per cent. duty was insufficient to enable Indian mills to hold their own against

Japanese competition, and that it would therefore be necessary to impose duties in addition to the existing duties in order to safeguard the industry adequately against the special advantage which the Japanese industry enjoyed through the unfair labour conditions, depreciated exchange, the appreciation of the rupee and indirect subsidies. In other words, Mr. Noyce and his colleagues held that a 15 per cent. duty was necessary to enable the Indian mill industry to compete against Japan.

That the Government of India's conclusions in regard to Mr. Noyce's intentions were unjustified was further proved by his statement that he thought it was necessary to express his belief that the direct disadvantage to the industry due to stabilization of the rupee at 1*s.* 6*d.* had been in the greater part rectified by the abolition of the excise duty. It would have been entirely unnecessary for him to make such a statement had he for a moment thought that the only valid claim established by the industry against Japanese competition was 4 per cent. due to unfair labour conditions. Nor would it have been consistent on his part to join his colleagues in the unanimous conclusion on page 175 of the report where it is stated :—

> " In paragraph 35 above, we have stated our conclusion that to the extent that conditions of labour in Japan are inferior to those in India in these respects (i.e., in regard to hours of labour and the employment of women and children at night) it must be held that there is unfair competition between India and Japan. We have further pointed out that Japanese competition is severely affecting the Indian industry in respect of both yarn and piecegoods, and our conclusion is that to the extent that this competition is facilitated by the unfair labour conditions in Japan, the industry has established its claim to protection against it.....We are agreed that *in addition to the protection* afforded by the present duty of 5 per cent. on yarn and 11 per cent. on cloth, a moderate measure of protection can be justified for such period as the labour conditions in Japan continue inferior to those in India."

As regards the majority recommendations of the Tariff Board in respect to additional import duty on cloth, the Government of India endeavoured to make out that but for the fact that funds had to be provided to assist in the spinning of finer counts of yarn, they would have recommended no addition to the existing import duty on cloth. That this conclusion on the part of the Government of India was unjustifiable was clear from the fact that in no reference made to the subject in the report was it stated by the majority that the provision of funds for the bounty was the principal object of their proposals, and in several passages the majority had definitely stated that the additional duty was imposed for several purposes. Even in the paragraph on which Government seemed to lay stress, what the majority really stated was that the primary purpose of the duty was to give protection against unfair competition as well as to provide the funds required to stimulate the production of higher counts of yarn. It was inconceivable that both the majority and the minority should say clearly in more than one place that an additional duty on piecegoods was necessary and yet in their final recommendations mean something entirely different, as Government attempted to make out.

As regards Government's attempt to make out that the advantages enjoyed by the Japanese industry in respect of piecegoods were covered by the existing revenue duty, the Committee repeated that the *communique* of the 7th June was the first occasion on which Government raised this issue and this was entirely an after-thought on the part of Government. This point had been fully dealt with in the representation sent by the All-India Conference of Millowners on 20th June and the Committee further stated that the wholly untenable nature of the position taken up by Government was clearly proved by the fact that beyond raising fine distinctions on the words ' protection ' and ' safeguarding ' Government had not been able to advance any arguments in support of their attitude, or to answer satisfactorily the criticisms made in this connection in the representation of the 20th June.

The Committee further pointed out that Government had observed complete silence on the question raised in the representation of the 20th June as to whether Government, while admitting Japan's advantage to be 10 per cent., realized that the policy in which they were persisting would give to Japan a 10 per cent. preference against every other importing country in the world.

The Government of India in their letter stated that it was evidently believed by the Millowners that if as a result of the inquiry, unfair competition was established and the amount of unfair advantage assessed at a particular figure, an additional duty would be imposed sufficient to offset the advantage. This however, was hardly a perfectly correct representation of the Association's attitude. What they really believed was that if it was proved that the Japanese had an advantage in the cost of manufacture owing to unfair labour conditions, and in addition it was proved that Japanese piecegoods and yarn were either underselling or depressing the price of Indian piecegoods and yarns, then an additional protection would be given to the industry. It was of course never understood that if upon inquiry by the Tariff Board it had been found that Japanese piecegoods and yarns were selling quality for quality and count for count at comparatively higher prices than Indian piecegoods and yarns, an additional duty should be imposed to offset the advantage to Japan from unfair labour conditions.

In their letter Government had raised the question of the burden on the consumer. This well-worn argument against protection was very effectively disposed of by the Indian Fiscal Commission who, after pointing out in the 68th para of their report how import duties tended to increase the price of commodities, went on in the succeeding paragraph to say :—

> " It is not our intention to suggest that the burden on the consumer arising from protective duties is necessarily permanent. On the contrary, if the industries to be protected are selected with due discrimination, the burden should gradually diminish and eventually cease altogether. But the process of diminution is not likely to be rapid, or to commence immediately. So long as foreign imports continue to enter in appreciable quantities, the price of the goods must in general be regulated by the price of the foreign imports, that is to say, the consumer will be paying the full foreign price plus the import duty. As the home industry develops in efficiency and reduces

its cost of production there will be at first no reduction in prices, but the decrease in the cost of production will merely go to swell the profits of the home industry. This will lead to the more rapid development of the home industry and will hasten the time when it is able to supply the home market almost in full. As foreign imports dwindle to small proportions, prices will become regulated more and more by internal competition, and the consumer will then begin to derive the benefit from the increased efficiency of the local industry, and may in the end obtain goods as cheaply as if he were free to import them without a duty. If the industry is one for which the country possesses marked natural advantages, he may even obtain them more cheaply."

The utterly fallacious and untenable nature of the argument that the consumer would be unfairly penalized by the imposition of additional import duties on cotton manufactures, so well brought out in the above extract from the Fiscal Commission's report, was further proved by the policy pursued by the Governments of different countries towards their indigenous industries. The United States of America, Spain, France, Australia, Japan and even Great Britain were all following a vigorous policy of developing their industries by adopting all possible measures for the protection of their industries against competition from other countries without being deterred by the temporary effects of such policy on the consumer. In this connection Government's attention was drawn to Mr. S. Uyehara's well-known book "The Industry and Trade of Japan" which, while dealing with the cotton textile industry of that country, said :—

"The protective policy towards this industry not only keeps away foreign goods from the home market, but also enables Japanese firms to recover any loss occasioned by low quotations for export by raising prices in the domestic trade."

The Committee further stated that the Tariff Board themselves had very thoroughly examined this question of the effect on the consumer, and they failed to understand why Government in their letter under reply while repeating this fallacious argument had totally ignored the very full examination of this question by the Tariff Board. The conclusions of the Tariff Board on this subject are contained in para 90 where it is stated :—

"It should be pointed out that, even if no countervailing duty is levied a rise in price is inevitable since, unless Japan is able to supply all the requirements of India at the low prices at which she is able to supply part of them, it is to her interest, once she has established herself in the Indian market, to allow prices to rise to the level at which other competitors can sell without loss but which would yield her larger profits. A rise in prices in this way would, however, be far more gradual than that which would follow the imposition of a differential duty, and in the meantime serious and perhaps lasting damage might have been inflicted on the home industry. From the point of view of the consumer, therefore, the imposition of a differential duty against unfair competition merely *hastens* the rise in prices which would, in any event, be brought about by the play of normal economic forces."

In the end, the Committee expressed their keen disappointment that even the revised decisions of the Government of India should leave the industry practically in the same position it was in before the Tariff Board began its investigations. It was, the Committee pointed out, after a very exhaustive inquiry that the Board came to the conclusion that " a very great industry is in a serious condition," and they made certain cautious proposals—which fell considerably short of their findings—to enable the industry to withstand what was proved to be unfair competition. Instead of taking prompt and effective action on the lines recommended by the Board, Government set about discovering arguments to turn down the recommendations of a body which had carefully investigated the problem for several months. In the Committee's opinion it was nothing short of a misfortune that, while the policy of the Governments of other countries towards industries was to regard them from a national point of view, in India the disposition of Government was to leave them to their own devices and not to protect them even against unfair competition, even though such competition was fully established before a competent tribunal.—(*Appendix* **8.**)

The Indian Tariff (Cotton Yarn Amendment) Act, 1927.

In accordance with the revised decisions of the Government of India on the Tariff Board's recommendations, the Hon. Sir George Rainy, the Commerce Member, introduced in the Legislative Assembly on 18th August 1927, a Bill further to amend the Indian Tariff Act, 1894, in order to safeguard the manufacture of cotton yarn in British India. On 22nd August, the Bill was referred to a Select Committee, who substituted the word ' protect ' for the word ' safeguard ' in the long title and in the preamble as they preferred the more familiar word. The Hon. Sir George Rainy opposed the amendment, but the Bill as amended by the Select Committee was passed by the Legislative Assembly and the Council of State and received the assent of the Governor-General on 22nd September 1927. In the course of the debate, several members emphasized the fact that the weaving section of the indigenous industry stood in greater need of protection, and the legislation which was meant to help the spinning section alone, would not effectively assist the industry in tiding over its difficulties. The opposition to the legislation was based on the fallacious argument that it meant the penalization of the handloom industry and of the general consumer. Sir Victor Sassoon, the Association's representative in the Legislative Assembly, effectively disposed of this argument in his speech.—(*Appendix* **9.**)

Thanks of the Association.

After the passage of the Yarn Protection Bill, the Committee of the Association conveyed to their Chairman, Mr. H. P. Mody, the Association's deep appreciation of the valuable services rendered by him to the cotton textile industry since the publication of the Government of India's resolution on the Tariff Board's report, and particularly as leader and spokesman of the deputation which waited on His Excellency the Viceroy at Simla on 12th July 1927. The Committee held that Mr. Mody's powerful and able advocacy was largely responsible in bringing about a reversion of the Government of India's original decisions.

The thanks of the Association were also conveyed to the Deputy Chairman, Mr. Stones, for the very valuable services rendered by him as a member of the Deputation to the Viceroy, and for his special services in Simla prior to the passing of the Yarn Protection Bill; to Mr. N. B. Saklatvala and Mr. A. Geddis for the very valuable work done by them in connection with the Deputation to the Viceroy and to Mr. S. D. Saklatvala and Mr. Lalji Naranji for labours in connection with the passage of the Yarn Protection Bill in the Legislative Assembly.

The Committee also passed a resolution appreciating the very valuable services rendered by Sir Victor Sassoon and his successful efforts on behalf of the industry prior to and during the debate in the Legislative Assembly on the Yarn Protection Bill.

The Committee placed on record their warm appreciation of the very valuable services rendered by the Association's Secretary, Mr. T. Maloney, throughout the enquiry by the Tariff Board and the subsequent proceedings leading up to the passing of the Yarn Protection Bill.

THE INDIAN TRADE MISSION.

The Indian Tariff Board (Cotton Textile Industry Enquiry) in their report emphasized that the development of the export trade was a matter of vital importance to the Bombay mill industry. They further pointed out that this development was essential to compensate for the loss of the China trade in yarn and that the difficulty of finding an outlet in the home market had been accentuated by the increasing competition of mills in other parts of India.

The Tariff Board stated that the first essential was the collection of adequate information in regard to the markets in which there was any prospect of developing the export trade. The Association had suggested to the Board that six Trade Commissioners should be appointed for this purpose, at Alexandra, Aden, Basra, Mombasa, Durban and Singapore.

The Board recommended that the number should be limited in the first instance to two, one at Basra and one at Mombasa, and that other countries should be surveyed by a small trade mission before any further appointment was considered.

The Government of India in a letter to the Association, after recapitulating the above facts, stated that they were anxious to co-operate in every way possible in the development of the export trade, on which, they recognized, the future welfare of the Bombay industry, in particular, largely depended. They were not satisfied, however, on the information available, that Basra and Mombasa were places at which the appointment of Trade Commissioners would be indisputably paying. Before coming to any decision on the desirability of appointments at these or other places, they preferred that the whole question should be more closely examined. They considered, therefore, that it would be advisable in the first instance to send a small trade mission to make a rapid survey of these and other countries, to report on the potentialities of the markets for Indian goods and to make recommendations.

The Board recommended that the mission should consist of two persons, one of whom should be an official and the other a nominee of the Bombay Millowners' Association, and that the expenses should be borne by

the Government of India. Government desired to have the views of the Association on this proposal and also inquired whether the Association would be prepared to co-operate in such a mission.

The Tariff Board also commented on the desirability of combined action by the Association in pushing the export trade. They were strongly of opinion that the appointment of Trade Commissioners should be made conditional on the acceptance by the Association of the Board's recommendation that a strong sub-committee of the Association should be constituted, whose sole function would be to deal with matters connected with the export trade, and with which the Trade Commissioners would be in close touch. Government requested the Association to consider this recommendation of the Board and to inform them of their conclusions.

The Committee of the Association, in their reply, stated that they were in entire agreement with the Government of India as to the advisability of making a serious effort to accelerate the progress of India's export trade in cotton piecegoods and yarn. The Committee expressed their satisfaction at the fact that Government were prepared to do their best in the interests of the export trade in Indian mill-made goods. The Committee were fully in accord with the proposal to send out a trade mission, and in view of the importance which they attached to the activities of the mission, they decided to release the Secretary of the Association, Mr. T. Maloney, for service with the mission for the full period of the tour. The Committee also suggested for the consideration of Government the inclusion in the mission of a businessman with special knowledge and long experience of the export trade who could act as adviser to the other members of the mission in regard to trade details. In conclusion, the Committee pointed out that the strong sub-committee recommended by the Tariff Board, whose sole function should be to deal with matters connected with the export trade, not only already existed, but had been working vigorously and effectively for some time. Hitherto this sub-committee had been handicapped by the absence of Indian Trade Commissioners and the paucity of information collected concerning the export markets by the Government of India, but they had managed to gather a considerable amount of information regarding the markets for Indian piecegoods and yarn from the Governments of the territories concerned and from other sources, and would be in a position to make the fullest use of any further information which would be collected by the mission for the benefit of the industry.

In January 1928, the Government of India published a Resolution announcing their decision to send a trade mission to certain countries, and stating that the Mission would consist of Dr. D. B. Meek, Director-General of Commercial Intelligence and Statistics, as Government Representative, and Mr. T. Maloney, as the representative of the Indian Cotton Textile Industry, and would be accompanied by a Commercial Adviser, Mr. Jeevandas Purshotam Dutia of Messrs. Lalji Naranji & Co. to advise the Mission on technical questions. The Mission started from Bombay on the 27th of January 1928.—(*Appendix* **10.**)

SOUTH AFRICAN MARKET FOR INDIAN PIECEGOODS.

Prominence was given in the *Times of India* of the 28th September, 1927, to an interview which Mr. J. B. Madden, representative of different commercial interests in South Africa, gave to a Press representative. Mr.

Madden seemed to imply that the Bombay mills had neglected obvious chances of developing their trade with South Africa. The Association's Chairman, Mr. H. P. Mody, was thereafter interviewed by a representative of the *Times of India*, and Mr. Mody in his interview dealt fully with the views expressed by Mr. Madden.

Mr. Mody stated that the Bombay Millowners realized only too well why it was that they had not been able to develop an extensive market in South Africa. Mr. Madden himself had pointed out one of the chief reasons when he stated that freight rates must go down below the existing level to enable manufacturers in India to compete successfully with Manchester, because Manchester had open to it cheap rates of freight to all parts of the Union, whereas India had only Durban and the East African Coast open to it. Mr. Mody further pointed out that the freight rates from Bombay even to Durban were very high indeed.

Another point which Mr. Madden, who was probably not a textile expert, failed to appreciate when he painted such a rosy picture of the prospects of developing trade with the Union, was that the bulk of the piecegoods sold in South Africa were printed goods. As is well known, there is practically no machine printing in India and the Tariff Board recognized that such an industry could not be established in this country without very considerable assistance from the Government of India. A reference to the United States Department of Commerce Report No. 219 on cotton goods in British South Africa showed that grey goods, which formed the staple part of the production of Bombay mills, formed a comparatively unimportant item in the import trade in South Africa. The same report specifically pointed out several other reasons why countries other than Great Britain held such a small proportion of the trade. It was stated in the report that throughout the trade in South Africa, wholesale and retail, soft goods departments were under the control of Manchester men. It was not contended that these men purchased from English sources because they were English, but it was only natural that they should lean towards the goods which they had known and handled all the years since apprenticeship. It was also true that trade followed the flag and that the sentiment of British traders and importers had assisted British manufacturers in getting and holding the trade.

With the development of the coloured goods trade in Bombay, Mr. Mody said, imports to South Africa would probably increase in the near future and several of the more prominent Bombay firms had either appointed representatives or opened their own offices in the Union of South Africa during the last two years. In recent years Bombay's exports to the Union had fallen considerably. One reason for this fall had been the severe blow dealt to the industry by the fixation of the rupee at 1*s.* 6*d.* which had given a preference of approximately 5 per cent. to all her competitors, but the greatest stumbling-block to trade was in the fact that the Government of South Africa allowed the imports of piecegoods from the United Kingdom to enter the Union on payment of a duty of 7½ per cent. whereas Indian piecegoods had to pay an import duty of 12½ per cent. As an earnest of the Union Government's desire to promote her trade with India, the first step which should be taken should be to allow Indian goods to enter her ports on the same terms as goods from the United Kingdom. The Government of India should also assist by sparing no efforts to obtain equitable freight rates from this country to South Africa's southern and eastern ports.—(*Appendix* **11.**)

MEASURES FOR THE PROTECTION OF STAPLE INDUSTRIES OF JAPAN.

On the 1st June 1927 the Committee, in a letter to the Government of India protesting against the continued delay in the publication of the Tariff Board's report, drew their pointed attention to the following extract from the *Japan Financial and Economic Monthly* for the month of February regarding measures taken by the Japanese Government to protect the staple industries of the country :—

> " In response to an enquiry put by the Department of Commerce and Industry, the Commission on the Promotion of National Industry has recently drawn up a basic policy for laying solid foundation for the staple industries of the country and the means to be employed for carrying it out. By taking into consideration these important results of study by the Commission, the authorities of the Department of Commerce and Industry soon completed a draft of a basic policy for the helping of staple industries of the country, which they had been studying. The draft policy, which has already been transferred to the Legislative Bureau, will shortly be decided upon at the Cabinet Council. As a result, the expenditure required for the protection of industries for the financial year of 1927-28 will be submitted to the Diet in the form of an additional estimate. To state in outline the basic policy for the helping of staple industries, for ten to fifteen years to come (according to industry) the Government is to render pecuniary help to staple industries to the extent of roughly yen 45,000,000 a year. The measures to be taken for the purpose will consist in (*a*) abating or suspending the income-tax and the profit tax for the industries affected and (*b*) abating or suspending the import duties on the tools and machines and raw materials to be employed by the industries affected. Industries, which are thus to be entitled to the special protection of the Government, will be on the whole ten in kind, including soda, aluminium, the manufacture of iron, electric machinery, spinning machinery, automobiles, shipbuilding, etc."

In connection with the growth and development of the cotton spinning and weaving industry in Japan, the Committee read with much interest the admirable report prepared in the Department of Overseas Trade by Mr. W. B. Cunningham, His Majesty's Consul at Osaka. The concluding paragraph of Mr. Cunningham's report, reproduced below, is most significant and indicates that the competition from Japan will grow in volume and severity during the next few years, thus clearly establishing the necessity of effective assistance from Government to the indigenous industry of this country :—

> " It is not surprising to find that the Japanese are doing all in their power to extend their market in other countries. During the past few months several semi-official missions have been despatched to various parts of the world with samples of Japanese goods of all kinds, including yarns and cloths, and there can be little doubt that the next few years will see redoubled efforts in this direction. The

Japanese are a highly ambitious people and, having rendered themselves practically independent of foreign countries as regards their requirements of cotton goods, intend to have as large a share as possible of the trade in this direction in other parts of the world. Increased competition from Japan in cotton goods of all kinds, especially finished cloth, must therefore be anticipated."

MUNICIPAL TAXATION.

Assessment of Cotton Mills for purposes of Municipal Taxation, General Tax.

(*See pages* 80 *and* 480 *of Report for* 1925.)

The cotton mills in Bombay are assessed for the purposes of Municipal taxation in accordance with certain arrangements made for five years between the Association and the Municipality in 1923 (*vide* Association's Report for 1923, pages 100 and 449). These arrangements terminate in March 1928 and a special Sub-Committee has been appointed to study the whole question and submit a report as to the best and most equitable method of assessment, and early in 1928 the matter will be taken up with the Municipality.

WATER-TAX PAYABLE BY COTTON MILLS IN BOMBAY.

(*See pages* 51 *and* 227 *of Report for* 1926.)

In the Association's Report for 1926 a reference was made to the representations made to the Municipal Commissioner on the necessity of reducing the water-tax payable by mills which at the time was Re. 1 per 1,000 gallons. Early in February 1927 the tax was reduced to 12 annas per 1,000 gallons. The thanks of the Association are due to Mr. H. P. Mody, the Association's representative on the Municipal Corporation, for his unremitting work in this connection.

The Association's case for a substantial reduction in water-tax payable by mills derived considerable support from the Indian Tariff Board (Cotton Textile Industry) who in paragraph 57 of their report emphasized the necessity of giving adequate relief to the industry from this heavy burden. A representation was made to the Municipal Commissioner in December 1927 drawing his attention to the recommendation of the Tariff Board and urging the necessity of further reduction in the water-tax in view of the very depressed state of the industry. The Municipal Standing Committee has turned down the proposal to give this much-needed relief to the city's most important industry, but the Committee of the Association trust the Bombay Municipal Corporation will recognize the justice of the case put up by the Association, and will, at an early date, sanction a substantial reduction in the water-tax payable by mills.—(*Appendix* **12.**)

POWER COSTS.

Members will be interested to know that for some time past, the Technical Sub-Committee of the Association has had under consideration the question of the relative costs of power produced by self-contained power plants of various descriptions now in use in Bombay mills as compared with

the cost of power supplied by the hydro-electric companies of Messrs. Tata Sons, Ltd. This inquiry was undertaken with the object of ascertaining whether the existing charges for electric power supplied by the hydro-electric companies were fair and equitable, and making recommendations as to the action which might advisedly be taken in future in any negotiations which might take place with the power-supplying companies. The Sub-Committee has collected statistics showing the comparative cost of power generation in various centres, the cost of power per unit in various mills in Bombay with different types of power plants, the cost of power in the case of mills generating their own power, the difference between interest on capital and the minimum charges made by the Andhra Valley Power-Supply Company which would have to be paid during a stoppage extending over a period of 3 months, approximate costs to be entailed in changing over from hydro-electric power to a self-contained up-to-date power plant, etc. The Technical Sub-Committee expect to be in a position to place definite recommendations before the General Committee for their consideration early in 1928.

LEVY OF FEES FOR (1) ELECTRICAL INSPECTION AND (2) ELECTRICAL TESTING, ETC., AT THE GOVERNMENT ELECTRICAL LABORATORY.

(*See pages 77 and 461 of Report for* 1925.)

In May 1925 the Government of Bombay published the draft of a notification which they proposed to issue under Rule 5 (2) of the Indian Electricity Rules, 1922, regarding fees to be levied for the services of Electrical Inspectors, and another notification regarding the scale of fees at which the Government Electrical Laboratory was prepared to undertake any sort of electrical testing, etc., for the public. The Committee of the Association had no criticisms to offer regarding the latter notification, but they strongly criticized the proposed levy of fees for electrical inspection on the ground that inspection of electrical installations in mills and other factories was carried on very thoroughly by Electrical Inspectors of the Bombay Fire Insurance Association and mills had to pay heavy fees to the Fire Insurance Association in connection with these inspections, and it was therefore held that inspection by Government Inspectors was unnecessary, and in any case no fees should be charged for inspection by Government Inspectors.

It was therefore a matter of considerable surprise to the Committee to receive from the Government of Bombay, Public Works Department, in November, copies of the two notifications with a covering letter in which it was stated that Government had very carefully considered the matter and in the light of the various objections or suggestions received had so modified the original draft rules as to eliminate the levy of fees for the inspection of all ordinary domestic installations. It was also stated that certain scales of fees had also been reduced in the hope that these modifications would meet what was perhaps a real and legitimate fear on the part of those that generated, distributed or used electric energy, namely, that the levy of these fees would adversely affect the use of electricity.

On comparing the revised notification with the original notification issued in May 1925, it was noticed that no alterations had been made except that the scale of fees for inspection of electrical installations in theatres and other places of amusement had been reduced by 50 per cent. It was clear that Government had not given adequate consideration to the case put forward by the Association in 1925 on behalf of the mill industry of Bombay, and the Committee therefore, in a letter to the Government of Bombay, requested that Government might be pleased to reconsider the whole matter.

The Committee did not deem it necessary to reiterate the case put forward by them in 1925, but they urged once again, with all the emphasis at their command, that if Government were unable to forgo entirely the fees levied from the 1st January 1927 for the first time, they should at least exempt mills and other concerns which were already paying heavy fees to the Fire Insurance Association for electrical inspection. As had already been pointed out by the Association these fees were substantially increased by the Fire Insurance Association in 1921, and the Committee hoped that in the present critical state of the mill industry Government would recognize the inadvisability of imposing on mills another charge for electrical inspection.

In conclusion, the Committee suggested that the Hon'ble Member in charge should receive a representative of the Association to discuss the whole matter with him. Government agreed to this suggestion and the Committee nominated Mr. Stones for the interview.

Early in July the Committee's attention was drawn to the fact that certain mills had already been called upon to pay fees for electrical inspection. A letter was therefore addressed to Government drawing attention to the long delay in giving the promised interview and urging that no fees should be demanded for electrical inspection pending the settlement of the question at issue between Government and the Association.

Even this letter elicited no reply from Government, and early in August a letter was addressed to the Honourable Mr. Rieu personally with the result that the Honourable Member gave an interview to the Association's representative on 27th August at Poona. Mr. F. Stones, who was originally appointed to act as the Association's representative, being away in Simla, Mr. A. Geddis was appointed to take his place.

Mr. Geddis was informed that Government had decided on a reduced scale of fees, the reduction for capacities over 1,000 killowatts (practically all mills) being from Rs. 350 to Rs. 250.

Mr. Geddis contended that even this rate was absurdly high and compared it with the charges of the Bombay Fire Insurance Association for electrical inspection. He further stated this burden came at a most inopportune moment when the mill industry required every consideration, no matter how small, and that the charge was out of all proportion to the work that had to be done and the cost of doing it. The Honourable Mr. Rieu in reply stated that the cost of doing the work or the expense of the staff did not enter into the question. The Department cost Rs. 3 lacs and Government estimated they would get Rs. 40,000 from the new fees and were not prepared to forgo that amount.

The result of the interview with the Honourable Mr. Rieu was very disappointing to the Committee, and in another representation to Government the Committee made out a strong case for the abolition of these fees.

In this representation the Committee, while welcoming the reduction in charges promised to Mr. Geddis, stated that the fees even after the reductions had been officially notified (which has not yet been done) would still be inordinately high.

Government were further informed that since Mr. Geddis' interview with the Hon. the Revenue Member, the Committee had gone further into the matter, and were strongly of the opinion that in view of the very thorough inspections carried out by the Fire Insurance Association, exemption from Government inspection should be given to cotton mills upon production of certificates of inspection, or other satisfactory proofs of complete and efficient inspection, from the Fire Insurance Association. In support of this view the following facts were placed before Government regarding the inspections conducted annually, or at more frequent intervals, by the Fire Insurance Association :—

1. The Electrical Inspection Rules adopted by the Bombay Fire Insurance Association are those of the Institution of Electrical Engineers with certain supplementary notes for dealing with special types of buildings, machines, apparatus and occupations. They are designed chiefly with the object of fire prevention and the safeguarding of workpeople from fire and electric shock, and all tests are conducted by highly qualified experts. The completeness of the tests conducted by the Fire Insurance Association might be judged from the fact that the following tests were insisted upon at every inspection although, so far as the Committee were aware, they were *not insisted upon by Government* except for High Tension work and special cases :—

   (*a*) Insulation resistance test between conductors of all circuits.

   (*b*) Temperature tests of apparatus and motors, etc.

   (*c*) Position of motors, dynamos, switchboards, etc.

   (*d*) Sizes and quality of conductors.

   (*e*) Quality of accessories and fittings.

   (*f*) Method of installing conductors.

   (*g*) Suitable systems of wiring under varying conditions.

2. The minimum tests required by the Bombay Fire Insurance Association and the Government were on an entirely different basis, the former being according to the number of points installed and the latter according to the maximum current taken by the instal-

lation. It will be, however, seen from the following examples that the tests required by the Bombay Fire Insurance Association are more exacting than those demanded by Government :—

Size of Installation.	Indian Electricity Act.	Bombay Fire Insurance Association.	
	1/5000 part of the current taken by the Installation. Maximum leakage current permissible. (Col. 1)	$C=\frac{E}{R}$ (Col. 2)	25 megohms divided by the number of points. (Col. 3)
1,000 lamps of 30 watts 230 volts ..	.026 amps.	.009 amps.	25,000 ohms.
1,000 „ 30 „ 115 „	.052 „	.0046 „	25,000 „
1,000 „ 60 watts 230 „	.052 „	.009 „	25,000 „
1,000 „ 60 „ 115 „ ..	.104 „	.0045 „	25,000 „
500 „ 30 „ 230 „ ..	.013 „	.0045 „	50,000 „
One motor of 50 H.P. 230 „ ..	.003 „	—	500,000 „
One motor of 50 H.P. 460 „ ..	.0165 „	—	500 000 „

3. In making its test for insulation resistance, the Bombay Fire Insurance Association took each circuit separately, whereas it was understood the Government took the installation as a whole. The advantages of the former method were that there might be one or more defective circuits, which, taken collectively with the sound ones, would pass the test as a whole, but would not meet the requirements from an insurance point of view owing to the low test of the defective circuit or circuits.

The above facts were mentioned to convince the Government of Bombay that the inspections carried out by the Bombay Fire Insurance Association were of a most thorough nature calculated to ensure public safety satisfactorily, and that there was no necessity to supplement them by a further expensive inspection of a much less comprehensive nature by Government Inspectors. The Committee hoped the Government would recognize the force of the case put forward in support of their contention that mills which were inspected by the Fire Insurance Association should be exempted from inspection by Government Electrical Inspectors, or charged a merely nominal fee for the Government inspection.

The following figures were submitted to illustrate the difference in the fees charged by Government and the Bombay Fire Insurance Association for different sizes and classes of electrical installations :—

Particulars of the Installation.	Approximate Fees.	
	Bombay Fire Insurance Association.	Government.
	Rs.	Rs.
E. L. Installation of 50 lights	20	100
Installation of 250 lights and 10 motors of 20 horse-power ..	80	250
Installation of one motor of 500 horse-power	15	150
Installation of 450 lights and 500 motors of 1,750 H.P. in the aggregate	225	350
Installation of 2,000 lights and 15 motors of 2,000 H.P. in the aggregate	225	350

In view of the facts, the Committee respectfully urged that there was no necessity for inspection of electrical installations in Bombay cotton mills by Government Inspectors, since the safety of the workers and the efficiency of the installation were more satisfactorily provided for by the inspections conducted by the Fire Insurance Association.—(*Appendix* **13.**)

FIRE INSURANCE RATES FOR COTTON MILLS—THE QUESTION OF AGENCY COMMISSION AND REDUCTION OF INSURANCE RATES.

Early in the year, the Bombay Fire Insurance Association placed before a general meeting of the members of that body certain proposals regarding agency commission. These proposals were passed at the general meeting and subsequently confirmed at an extraordinary general meeting by a three-fourths majority of the members present, and the effect of these proposals was that the agents' commission was reduced from 30 to 15 per cent.

Subsequently, the Bombay Fire Insurance Association addressed a circular letter to the representatives of fire insurance offices in which they, *inter alia*, stated that a few important cotton mill agents, acting as agents for insurance companies, had expressed themselves dissatisfied with the remuneration to agents under the new Bombay Agency Rules and had contended that the reduction effected in agency commission was in favour only of the insurance companies. The Bombay Fire Insurance Association, however, made it clear in their circular that any alteration of the standard rate of agency commission as already fixed was impossible. "It is well known," they said, "that agency commission in Bombay had, prior to the reforms, reached an excessive figure, and it was a legitimate complaint against the insurance companies working in Bombay, that high commissions and discounts were being paid to agents and intermediaries to the detriment of the price of insurance to the assured." The Bombay Fire Insurance Association went on to say that they felt disposed to meet the accusation that insurance companies were making more out of the cotton mills as a result of the reforms, and they had come to the conclusion that the only method of doing this was to make a further reduction in rates, and with the approval of the Fire Offices Committee (Foreign) they had decided to reduce the insurance rates for all cotton mills by 15 per cent. with retrospective effect from 31st March 1927.

The Bombay Fire Insurance Association forwarded a copy of the above circular to this Association, and in their covering letter they expressed the hope that millowners would agree that with this further reduction, there could be no reasonable complaint as to the cost of fire insurance.

The Committee of this Association, in their reply to the Bombay Fire Insurance Association, pointed out that the 15 per cent. reduction was quite inadequate, and as a matter of fact the insurance companies (thanks to the reduction in the agency commission) stood to gain even after the reduction of 15 per cent. in the insurance rates was effected. The following concrete instance was given :—

Take a mill paying Rs. 100 as fire insurance premium. Under the previous arrangements, the insurance company would have received Rs. 70 and the commission agent Rs. 30. Under the new arrangement, the premium payable will be Rs. 85 (Rs. 100—15) and agency commission will be 15 per cent. of Rs. 85=Rs. 12.75 and the insurance company will get Rs. 72-4-0.

The Bombay Fire Insurance Association's answer to the above was that the Committee had not taken into consideration the reduction made in 1925 and had also overlooked the fact that 30 per cent. was by no means a general rate of commission, as several prominent mill agents received less. The Committee thought that further consideration of this matter might, with advantage, be held over for some time.

At a later date, about the end of October, Sir Ness Wadia addressed a letter to the Committee inviting attention to the following two extracts from paras 41 and 73 respectively of the Tariff Board's report :—

> "41. Several managing agents are also agents to fire insurance companies, their activities in this direction being, however, confined to their own mills. We were informed by the representatives of the Bombay Millowners' Association that the rules of the insurance companies lay down that no part of the agents' commission on premiums shall be passed on to the mills."

> "73. We have in paragraph 41 above pointed out the objections to the present system under which many managing agents are also agents to fire insurance companies, their operations in this direction being, however, confined to the mills for which they are agents. These objections would be removed and the charges under this head might be reduced if the mills were to undertake their own fire insurance."

Sir Ness Wadia stated in his letter that he had been considering this matter during the last four months and had come to the conclusion that the only practical course for the Association to adopt was that fire insurance companies should be asked to quote an absolutely net rate for all mill insurances, doing away with brokerage and agents' commission. There was no broker employed for placing mill insurances and as the Tariff Board themselves said "the mill agents themselves are agents of fire insurance companies, their activities in this direction being confined to their own mills." Sir Ness Wadia therefore urged the abolition of the agents' commission on mill insurances as well as brokerage so as to enable the fire insurance companies to quote lower rates.

Sir Ness Wadia's letter gave rise to a prolonged and interesting discussion, and the view which eventually found acceptance of the majority of the members of the Committee was that all that this Association should do was to ask for a 15 per cent. reduction in fire insurance rates for cotton mills.

Whether this reduction should be made by abolishing agency commission, or by effecting economies in other directions, was a question for the Fire Insurance Association to deal with. A letter was accordingly sent to the Fire Insurance Association urging that the fire insurance rates for cotton mills should be reduced by at least 15 per cent. and a reply from them is being awaited.—(*Appendix* **14.**)

SUPPORT TO INDIAN INSURANCE COMPANIES.

MEETING WITH THE COMMITTEE OF THE INDIAN INSURANCE COMPANIES' DELEGATION.

The Indian Insurance Companies' Delegation in a letter to the Association, pointed out that Indian insurance companies did not receive adequate support from the mill industry, and expressed a desire to meet the Committee of the Association to discuss the matter. A Sub-Committee of the Association accordingly discussed the position with representatives of the Indian Insurance Companies' Delegation, and thereafter the General Committee considered the matter in all its bearings and reached the conclusion that the case of Indian insurance companies deserved the most sympathetic consideration of the members of the Association.

It appeared that out of 86 mills in Bombay City and Island, a portion of the insurance on only 10 mills and full insurance on only 6 mills was placed direct with Indian insurance companies. While appreciating the reasons which led members of the Association in the past to adopt a somewhat conservative attitude towards Indian insurance companies, the Committee were of the opinion that the time had arrived when these companies should receive a substantial measure of support from the cotton mill industry.

On examining the financial position of the Indian insurance companies, the Committee found that, on the whole, their position was very sound.

As regards the security offered by Indian companies, it appeared that the total funds of these companies amounted to Rs. 2,45,09,842, a substantial sum. When it was pointed out to the representatives of the Indian Insurance Companies' Delegation that millowners might hesitate before placing very large sums to be insured with Indian companies, it was explained that the most an Indian Insurance Company would retain at its own risk would be from Rs. 50,000 to Rs. 1,50,000, probably not more than Rs. 2,00,000 on a well-spread mill.

What usually happened was as follows :—Assuming that a mill was insured for Rs. 50,00,000 ; the company retained for its own account, i.e., at its own risk, Rs. 1,00,000. The remaining Rs. 49,00,000 was spread out in reinsurance between sister Indian Companies, Treaty Reinsurance Companies, and placed locally in Bombay or elsewhere.

The insurance of a large mill was invariably split up between anything from 25 to 50 companies or more. Further, even if it was split up between fewer companies, these companies again reinsured if the amount they accepted exceeded their own limit.

Taking all the facts into consideration, the Committee of this Association made a very strong appeal to all members of the Association to extend their support on a much more extensive scale than hitherto to the Indian insurance companies. The Committee hope that the members of the Association will take the earliest opportunity of showing in a practical manner their confidence in Indian insurance companies.—(*Appendix* **15.**)

ANTI-MALARIAL MEASURES IN REGARD TO MILL TANKS.

(*See pages* 54 *and* 237 *of Report for* 1926.)

Members are aware that a good deal of correspondence has taken place during the last few years between the Municipal Commissioner and the Association regarding the alleged breeding of mosquitoes in mill tanks. It will be remembered that the Municipal Commissioner maintained that mill tanks were breeding malaria-carrying mosquitoes and these must be either filled in or covered. The Committee put up a strong protest against the threatened action of the Commissioner, and they are pleased that during the year under review this controversial matter was brought to a satisfactory settlement. For this the special thanks of the Association are due to Mr. F. Stones who, as stated in the Association's Report for 1926 organized a number of experiments in the Sassoon group of mills to ascertain how far mill tanks were breeding places for mosquitoes and what preventive measures might be adopted. A detailed account of these experiments will be found in the Association's Report for 1926.

It will also be remembered that Mr. Stones was appointed to represent the Association on the Anti-malaria Committee appointed by Government, and Mr. Stones placed the results of these experiments before the Committee with the result that the Executive Health Officer, who was Secretary to the Anti-malaria Committee, addressed a letter to Mr. Stones in January embodying the following proposals for consideration by the Committee of the Association :—

1. *Anti-mosquito Staff.*—For mills with tanks that can be grouped a special anti-mosquito staff consisting of one Inspector on Rs. 100 and three coolies at Rs. 25 per mensem will be appointed.

   This staff will be appointed for a group which will contain six mills or seven if they are to work on Sundays.

   It is important that the same day in the week should be allotted to any given mill at least for inspection. The results of the inspection will indicate whether the oiling of tanks is required weekly, once a fortnight or less frequently.

2. In any mill that cannot be included in a group, the Engineer will, by the terms of his office, be required to make inspections of the tank and the compound weekly and to supervise weekly measures for the destruction of mosquito larvæ. He will utilize a menial staff of three coolies and the work will be done without additional pay.

3. The Inspectors and Engineers entrusted with this work will be trained by the Municipal Health Department. The Engineer for the purpose of his training will be required, in his duty hours if necessary, at a time to be arranged, to attend for one hour twice a week in the first two weeks at the Municipal Offices and in the next two weeks for field demonstrations on mill compounds and mill tanks.

4. *Anti-mosquito Measures.*—The method to be adopted for the destruction of mosquito larvæ in tanks will be :

   The addition to the water in the tank from a watering can of oil at the rate of one gallon for every 25 feet of the circumference of the tank, (*a*) once a week or (*b*) once a fortnight as may prove to be necessary. Should repeated tests show no larvæ, oiling will, for the time being, not be carried out.

5. The oil to be used will consist of the following mixture :—

Crude oil	.. ..	3 gallons.
Kerosene oil	.. ..	3 ,,
Castor oil	.. ..	6 ounces.

6. Breeding in the mill compound will be dealt with by the measures appropriate to the conditions.

   An effective coal-tar disinfectant in the proportion of 1 in 2000 of the water treated is more easily applied and cheaper for collections of water less than six inches deep.

The Executive Health Officer's letter was carefully considered by the Committee of the Association who, in their reply to Mr. Stones, stated that they had no executive power in regard to individual mills in matters of this nature, but they were prepared to recommend the principle of the scheme set forth in the letter of the Executive Health Officer to all their members for favourable consideration provided that only those mills of which the tanks had been proved to be breeding malarial mosquitoes would be required to take the anti-malarial measures set forth in the scheme and that the possibility of a malarial staff attending to more than one mill tank per day was considered by the Malaria Advisory Committee.

The Committee were of the opinion that a very large proportion of the mill tanks in Bombay could not possibly be breeding grounds for mosquitoes owing to the fact that in some cases steam was frequently blown into them,

while others received the discharge water from bleaching plants, and for these reasons they maintained that before any definite rules were put forward to the mills for compliance a preliminary survey of all mill tanks should be made to establish which tanks would and which tanks would not have to be treated.

In conclusion, the Committee agreed to recommend that mills should " oil " their tanks if found to be breeding mosquitoes but considered that the systematic oiling proposed in the Excutive Health Officer's letter should be performed as economically as possible, and they therefore urged that, if possible, the tanks of at least two mills should be treated per day by one malarial staff group.

At a later date, the Secretary to the Malaria Advisory Committee forwarded the above proposals to the Association, and the Committee of the Association agreed to these proposals subject to the following reservations :—

(*a*) The Committee of the Association had no executive power in regard to individual mills in matters of this nature, but they were prepared to recommend the principle of the scheme to all members for favourable consideration provided that only those mills of which the tanks had been proved to be breeding malarial mosquitoes would be required to take the anti-malarial measures set forth in the scheme.

(*b*) The Committee took strong exception to the observation made in the report that certain mills could afford to spend one or two lacs of rupees on filling in. In the Committee's opinion, no mills in Bombay could, in view of the intense competition which they have to meet, afford to spend a single pie more than was necessary in any unremunerative undertakings.

(*c*) The Committee maintained that no orders for filling in should in future be issued if it was proved that tanks breeding malarial mosquitoes could be effectively sterilized by the measures agreed upon between the Malaria Advisory Committee and the Committee of this Association.

(*d*) For a similar reason, the Committee of the Association did not consider that the aim of every mill should be to fill in the tanks forthwith or gradually from year to year as funds permit, as stated in the report.

The Executive Health Officer to the Bombay Municipality (who is Secretary to the Malaria Advisory Committee) subsequently sent a list of 54 mills of which the tanks had been found to be breeding mosquitoes at one time or another during the year 1926, with a request that these mills might be formed into groups on the lines suggested in the scheme. The names of these 54 mills arranged in 4 groups of 11 mills each and 1 group of 10 mills will be found in the appendix.

Members whose names appear in the list were requested in April to adopt the necessary measures without delay for giving effect to the recommendations contained in the Malaria Advisory Committee's report. —(*Appendix* **16.**)

PROVISION OF CRECHES IN MILL AREAS IN BOMBAY.

(*See pages* 55 *and* 258 *of Report for* 1926.)

In continuation of the remarks made in the Association's Report for 1926, it might be stated that about the middle of February 1927, a letter was received from the Government of Bombay stating that they did not propose to pursue the matter any further for the present on account of financial stringency and also on account of the depression in the textile industry of Bombay.—(*Appendix* **17.**)

MATERNITY CONDITIONS OF WOMEN MILL-WORKERS.

Miss M. S. Balfour, M.B., addressed a letter to the Association stating that she was doing research on the causes of maternal mortality in Bombay (during child-birth), and had been studying the maternity conditions of women mill-workers in the Wadia Maternity Hospital. In this connection she desired to visit some of the cotton mills and see the nature of the work done by women and ask them a few questions about their habits during child-birth. Accordingly, about four mills gave Miss Balfour the requisite facilities at the request of the Association.—(*Appendix* **18.**)

INDUSTRIAL INVESTIGATION ORGANIZED BY THE NATIONAL CHRISTIAN COUNCIL OF INDIA, BURMA AND CEYLON.

The National Christian Council of India, Burma and Ceylon, in a letter to the Association, requested the Association's co-operation in an industrial investigation arranged by them. It was stated in the letter that the purpose of the investigation was to obtain correct information as to industrial conditions in some of the major industries in India, and on the basis of these facts to make recommendations and suggestions which might assist both the employers and the workers to improve the conditions under which labour was carried on. Miss Cecile Matheson, who had a very extensive experience of industrial questions in England and had taken an active part in many Committees organized by the Government and leading employers, was director of this investigation. The lines which it was proposed that the investigations should follow were as follows :—

(*a*) Fundamental study of the conditions of the working people, covering hours of work, conditions of work, wages paid, methods of recruiting and oversight, standard diet, housing, etc.

(*b*) The possibility of welfare work, the best methods by which such might be accomplished, and in particular the lines of work that might be followed by Christian Missions.

(*c*) A study of the possibilities of co-operation between the Government, the employers, and the Christian bodies.

The Committee of the Association had a discussion with Miss Matheson and her co-workers, and came to the conclusion that it would be advisable for members of the Association to give every facility to Miss Matheson in her work. Some of the mill-agents, at the Association's request, allowed Miss Matheson to visit their mills and placed at her disposal the information she required.—(*Appendix* **19.**)

INDUSTRIAL HOUSING SCHEME OF THE BOMBAY DEVELOPMENT DEPARTMENT.

(*See pages* 57 *and* 268 *of Report for* 1926.)

Members are aware that in 1925 and 1926 a good deal of correspondence took place between the Committee of the Association and the Government of Bombay regarding the scandalous waste of expenditure in connection with the chawls put up by the Bombay Development Department and the necessity of reducing, if not totally abolishing, the town duty on cotton which was levied partly with the object of financing this housing scheme. It will be remembered that in view of the very evasive and unsatisfactory replies given by Government from time to time, the Committee of the Association had deemed it futile to pursue the matter further until the publication of the report of the Special Advisory Committee, which was constituted by Government to inquire into the activities of the Development Department, and to report to Government as to how far, and in what directions, these activities should be continued or eliminated. The Advisory Committee submitted its report on the Industrial Housing Scheme to Government in December 1926, and Government published the report in February 1927 with a note in which they stated that the report was being considered by them, and that they reserved their opinion until there had been time to examine fully the various recommendations made by the Advisory Committee. Government, however, considered it undesirable to delay the publication of the report till they had reached their final decisions.

Messrs. S. K. Bole, A. N. Surve, J. B. Petit and Joseph Baptista signed the report subject to their minutes of dissent, while Mr. Manu Subedar wrote a special minority report.

The Advisory Committee estimated the annual revenue to be Rs. 28,83,088 (Rs. 12,49,388 being income from rents and Rs. 16,33,700 being income from the town duty on cotton) and the annual expenditure to be Rs. 29,47,546, resulting in an annual deficit of Rs. 64,458.

After making some suggestions for increasing the number of tenants in these chawls, the Advisory Committee strongly recommended (1) a reduction in rents and (2) leasing large blocks of chawls on maintenance leases to large employers of labour.

The Advisory Committee also pointed out that the interest charges constituted the dominant item of expenditure, and these charges were taken at 6·21 per cent., which was the average rate paid on the Development

Department loans. In the Advisory Committee's opinion this was a very high rate, and conversion to a lower rate would make a further reduction of rents practicable.

As regards the town duty on raw cotton, which was the principal source of revenue, the Advisory Committee were opposed to its increase as a measure for the further reduction of rents. In fact, they apprehended the effect which the cotton cess was having on the trade of Bombay, including the mill industry. In view of the fact that the cess had been now in force for five years, the Advisory Committee suggested for the consideration of Government that an investigation of the effects of the cotton cess on the trade of Bombay including the mill industry should be made by a competent and representative Committee.

The Advisory Committee next called attention to the difference between the final cost according to the revised project estimate of Rs. 2,084 per room and the original estimate of Rs. 1,100 per room given in 1920 when the Bill for the levy of the town duty on raw cotton was introduced in the Legislative Council, and went on to say :—

> " We do not comprehend why, when Government found that the original estimates were certain to be largely exceeded, the facts were not fully described and the financial effects on the housing scheme explained to the public, as should be the normal procedure in launching a scheme of this magnitude. The original estimate of the loss to be covered on 50,000 tenements was Rs. 13½ lakhs, whereas on the figures given in paragraph 7 above, the sum of Rs. 16⅓ lakhs is required to cover the loss on 16,544 tenements and even this figure will be exceeded till the losses due to vacancies and bad debts are reduced to 10 per cent. of the gross rental."

Reference was next made to the increase in the arrears of rents, and the Advisory Committee emphasized the fact that unless the rate of increase of arrears was checked, the allowance of 10 per cent. for vacancies and bad debts must be raised.

In conclusion, the Advisory Committee stated :—

> " We recognize that housing conditions in Bombay are to some extent artificial at present, and that a return to normal conditions of supply and demand may cause a change in the outlook. In view, however, of the annual loss being incurred on the chawls already built, we agree with Government that the construction of further chawls should not be undertaken."

The report of the Special Advisory Committee appeared to the Committee of the Association to be a futile and halting document, and the reference to the town duty on cotton was particularly disappointing. It is true that the Advisory Committee did not favour any increase in the duty, but they appeared to have forgotten that what the mill industry and the trade of Bombay required was a substantial reduction in, if not the total abolition of,

the duty. In this connection, it is interesting to reproduce the minute of dissent of the Association's representative, Mr. J. B. Petit :—

> "I have signed the report subject to a minute of dissent. I wish specially to draw the attention of Government to paragraph 14 of the report regarding the continuance of the town duty on raw cotton, which is, as mentioned in the paragraph under reference, having a harmful effect on the trade of Bombay, including the mill industry. I further wish to give expression to the views of the Millowners' Asssociation whom I represent on the Development Board, that the time has now come when the duty should be altogether abolished or at least substantially reduced for the following amongst other reasons :—
>
> When it was imposed, the cotton trade and industry were assured that the income thereof was to be applied towards the erection in Bombay of 50,000 one-room tenements for the use of the labouring population of the city. The number of these tenements has now been reduced to about a third of the original number, owing to reasons with which the industry and the trade have nothing to do ; and it is not fair to call upon them to go on contributing in the same proportion when only a third of the programme has been completed. Under these altered conditions I think the cotton trade and industry are justified in demanding that the tax should be altogether abolished or at least substantially reduced."

The Advisory Committee's report was very carefully studied by a Special Sub-Committee of the Association, and early in May the Committee of the Association addressed a letter to Government on the lines of the Sub-Committee's report.

At the outset, the Committee referred to the paragraph in the report of the Special Advisory Committee already quoted above where they expressed their surprise that the public should have been kept in the dark about the fact that the original estimates were certain to be largely exceeded. The Committee condemned as entirely inadequate this passing reference to a policy calculated to hide from the public the facts that there was absolutely no possibility of the housing scheme being successfully completed at anything like the cost originally estimated and that there was no chance of the Development Department's share in the proceeds of the town duty on cotton meeting the disparity between the receipts and expenditure if 50,000 tenements were completed.

The Committee recalled the fact that in the speech of Sir George Lloyd when introducing the Bill which made it possible to impose the town duty on cotton, it was estimated that the cost per tenement would be in the neighbourhood of Rs. 1,100. Before even a single chawl was started, it must have been known to Government that the Rs. 1,100 estimate would be greatly exceeded and this fact, the Committee thought, should have been made known to the public, the Legislative Council and the other interests concerned at the earliest possible moment, and had this been done the housing

scheme would undoubtedly have been abandoned at an earlier date to the great advantage of the taxpayer. As far as the Association was aware, the facts were not even made known to the special Advisory Committee until too late to allow of any effective action being taken, and even when a reduction in the chawl building programme was eventually decided upon, the decision was taken not because the original estimates of costs had been grossly exceeded and it was impossible for the housing scheme to be a financial success, but because it was seen that there was no demand for anything like 50,000 tenements.

After examining the details of the original estimates and the actual costs, the Committee unanimously came to the conclusion that a great deal of the expenditure incurred was both wasteful and unnecessary and that the cotton trade of the city should not be penalized for the colossal blunders which had been made.

In the Committee's opinion, there was also a case for an investigation of the need for the continuance of the payment of that portion of the cotton cess which provided Rs. 4 lacs per annum for suburban development and the justification for the imposition of a tax on the cotton trade to provide funds for the Municipality, which, under ordinary circumstances, would have been provided by municipal rates and taxes. The Municipality had for the last six and a half years been receiving about Rs. 15 lacs per annum from the cotton cess and, in the Committee's opinion, it was open to doubt whether this money had been utilized in the manner laid down by Sir George Lloyd, namely, " to raise the general standard of municipal efficiency and to enable the Municipality to discharge their municipal duties in respect of the new areas that they will have to administer and make large provisions for....."

The proposal of the Advisory Committee that a competent and representative Committee should be appointed to estimate the effects of the cotton cess on the trade of Bombay, including the mill industry, in the opinion of the Committee of the Association, amounted to shelving their own responsibilities. The Committee pointed out that the detailed representations of the Bombay Chamber of Commerce and the Port Trust on this subject were available to the Special Advisory Committee and the reasons for their apprehensions as to the effects of the duty could and should have been set forth in detail.

The recommendation that interest charges should be reduced met with the Committee's entire approval, but they pointed out that it would have been far more practical had the Advisory Committee indicated the means whereby such a reduction could be obtained.

As regards the estimate of the annual expenditure contained in paragraph 8 of the report, the Committee of the Association pointed out that it was not clear whether the Advisory Committee considered the estimate to be satisfactory and acceptable to them. If it was acceptable to the Advisory Committee, it was thought its justification ought to have been set forth in detail. The Committee of the Association held there was something radically wrong with the management of the housing scheme when it cost such an

enormous sum to collect the rents which had been collected in the past, or it was hoped to collect in the future. In the opinion of the Committee of the Association, it would be a matter for great surprise if the Advisory Committee were of the opinion that no further reductions in annual expenditure could be made.

The Committee next proceeded to make various suggestions for reducing the annual expenditure on the chawls and increasing the annual receipts.

In the correspondence that ensued, the Committee expressed their regret at the fact that Government were not able to advance any convincing reason as to—

(1) Why the facts in regard to the increased cost per tenement, which must have been known to Government before even the first chawl was completed, were not made known to the Advisory Committee, the Legislative Council and the public at an earlier date, and

(2) Why the scheme was not abandoned at an earlier date, i.e., before 17,000 rooms had been completed.

As regards the Committee's contention that there was a good case for investigation of the need for the continuance of the payment of that portion of the cotton cess which provided Rs. 4,00,000 per annum for suburban development, Government's answer was that the sum of Rs. 4 lakhs was actually insufficient for meeting the interest and sinking fund charges on the expenditure already incurred on the development of communications in Salsette and had to be supplemented by a subsidy from Provincial revenues. In the Committee's opinion this answer was far from satisfactory, and they asked Government for details regarding the expenditure incurred on suburban development. Government's reply was that the Advisory Committee was investigating the position of the suburban schemes, and no further information could be given at this stage beyond what was disclosed in the published accounts.

As regards the Municipality's use of the funds received from the town duty on raw cotton, Government stated that they had no reason to doubt that the Municipality's share of the receipts had been, and was being, utilized for the purposes for which it was assigned. The Committee, however, pointed out that Government had probably made the above statement through some misunderstanding, for, in reply to an inquiry made in October 1925, the Municipal Commissioner himself had stated that the proceeds of the town duty were not earmarked for any specific purpose, but only formed part of the general revenue of the Municipality.

Government, in their final reply, stated "the Municipal Commissioner's statement does not indicate any misconception by Government. It was not in accordance with good public finance that any particular parts of revenue should be specifically earmarked for definite purposes. But the adoption of this principle in their accounts did not mean that the Municipality were not incurring expenditure on the development of the city commensurate with their share of the receipts from the town duty on raw cotton."

One of the suggestions put forward by the Committee was that in view of the fact that the municipal revenues were augmented by nearly Rs. 15 lakhs per annum owing to the imposition of the cotton cess, the chawls might be given a special concession of at least 50 per cent. in municipal taxes. Government turned down this suggestion on the ground that the municipal taxes were imposed in accordance with the City of Bombay Municipal Act, and the concession could not be granted without amending the Act. The Committee, however, pointed out that the requisite amendment in the Act could be made without much difficulty, and they commended this suggestion once again to Government, as acceptance thereof would reduce the running expenses of the chawls. Government, however, did not accept this suggestion.

As regards the Tariff Board's suggestion that the town duty on cotton should be reduced to 8 annas per bale, at least so far as the cotton consumed by mills was concerned, Government stated that the matter was under their consideration. The Committee, in their reply, regretted that although more than four months had elapsed Government did not appear to have come to any definite decision in regard to this very important recommendation. In the Committee's opinion, the help suggested by the Tariff Board in this connection was most inadequate but they would welcome the proposed reduction as a preliminary step towards the eventual abolition of the town duty which the circumstances of the case imperatively demanded. Government in their reply said that they were not yet in a position to announce their decision.

The last letter from Government, the substance of which is given above, is being considered by the Committee of the Association, and such further action as they might take in the matter will be related in next year's report.—(*Appendix* **20.**)

DELEGATION FROM THE INTERNATIONAL FEDERATION OF TEXTILE LABOUR UNIONS.

(*See pages 27 and 172 of Report for* 1926.)

In the Association's Report for 1926 (page 27), a reference was made to the delegation from the International Federation of Textile Labour Unions, which visited India, under the leadership of the Rt. Hon. Tom Shaw, M.P., to study the labour conditions of this country. Although the Committee cannot agree with some of the conclusions reached by Mr. Shaw and his colleagues, it is very gratifying to them that the reckless allegations so often made on such questions as labour conditions, wages, the attitude of millowners towards labour, etc., found a complete refutation in the interesting report prepared by Mr. Shaw and his colleagues. A couple of extracts from the report submitted by Mr. Shaw to the International Federation of Textile Workers might be quoted here :—

> " It is precisely the great employers of labour in the textile trade who appear to be doing more for the education of the masses than either national or local governments. Over and over again, in the huge concerns that we saw in the different parts of India, we noticed in the mill grounds or compounds, schools that were being maintained

by the employers for the purpose of giving instruction, first to the young persons—boys and girls—who were employed in the mills, and secondly, in many cases, to the younger children of the workers employed. The same thing applied to the provision of sickness benefit and medical treatment. Over and over again, we found that there seemed to be absolutely no provision—or very meagre provision indeed—made by the authorities, but judged by the Indian standards, a remarkably good provision made by the employers."

"Taking the factories from the point of view of the height of the rooms, space and ventilation, they are at least equal to the factories of Europe. The machinery is, with very few exceptions, of the latest and most up-to-date type, and whilst there was abundant evidence that—taken generally—European conditions were not being reached, we saw many concerns where, in every respect, the conditions were fully equal to the best European mills. The classes of goods made, too, were a revelation. I venture to say that none of the delegates thought that technical development had gone so far as it has done in India. Many of the manufacturing processes were fully equal to European standards, and in some cases the variety of yarn spun and cloths woven, dyed, and finished showed a range and variety which is probably not equalled by any individual European concern."

Messrs. Hindle and Brothers, the Lancashire representatives on the delegation, issued a separate report, a summary of which is reproduced in the appendix from "Industrial and Labour Information" (published by the International Labour Office, Geneva), dated 22nd August 1927. A summary of an interesting lecture given by Mr. Brothers on the same subject before the Blackburn Textile Society will be also found in the appendix.

The Association is grateful to Mr. Shaw and his colleagues for the very valuable services rendered by them to the cotton textile industry of this country. The conclusions reached by these authorities after a thorough and independent investigation constitute a vindication of the millowners of this country and a complete refutation of the groundless criticisms so often brought against them.

The Committee desire to put on record their deep sympathy with Mr. Shaw for the irreparable loss sustained by him by the very sad and untimely death of his daughter who acted as Secretary to the deputation. She died at Gibraltar when Mr. Shaw's work was half completed, and the Chairman of the Association, on receipt of the sad news, immediately cabled his condolences to Mr. Shaw.—(*Appendix* **21.**)

VENTILATION AND HUMIDIFICATION IN COTTON MILLS.

(*See pages* 107 *and* 405 *of Report for* 1926.)

Members of the Association are familiar with the conclusions reached by Mr. T. Maloney, M.C., A.M.C.T., in the report submitted by him about five years ago to the Government of India on the subject of ventilation and humidification in cotton mills. Among the recommendations made by him were the following :—

(1) That it was desirable to fix a standard of ventilation for all factories and workshops in India on the basis of cooling power as measured by the wet Kata thermometer ;

(2) For cotton mills a wet Kata cooling power of 11 was proposed as a suitable standard ;

(3) That time should be given to mills to fit up arrangements capable of producing the required cooling power before adopting a Kata standard (July 1st 1925 was suggested) but during the time whilst further experiments regarding Kata cooling powers were being made, conditions in cotton mills should be regulated according to a humidity schedule ;

(4) Artificial humidification by the introduction of live steam should be prohibited when the dry bulb temperature was more than 85° F.

The Association's considered opinion on Mr. Maloney's report is contained in the Association's Report for 1924 (page 211) and might be summarised as follows :—

(*a*) That a cooling power should be adopted as the *ultimate* basis for control of ventilation in *all industrial* establishments but that a standard based on cooling power should not be introduced for the textile industry unless a similar standard was enforced in other industries *at the same time ;*

(*b*) That the cooling power suggested for cotton mills appeared to be unduly high and should not be insisted upon unless after further experimental work it was proved possible to maintain such a standard in existing establishments at a reasonable cost ;

(*c*) That at least five years should be allowed to elapse before a cooling power standard was introduced ;

(*d*) That "wet and dry bulb standard" should not be enforced at once as recommended in the report and six months' notice of its introduction should be given to mills ;

(*e*) That the Association had no objections to the prohibition of the use of live steam at temperatures over 85° F.

The Government of India decided that further experimental work and experience with the Kata thermometer was necessary, but in the interim the Government of Bombay enforced "the wet and dry bulb standard" for cotton mills, and proposed to prohibit the use of live steam at temperatures above 85° F.

The Chief Inspector of Factories in a letter to the Association, after referring to the above facts, stated that he was asked to submit a report on

these standards together with the result of the experimental work, and he had asked the managers of mills to forward to him direct copies of humidity records maintained by them, an analysis of which would be made in his office.

The Chief Inspector went on to say that it was extremely important that the Association should give its considered opinion on the Kata standard. It was clear that a Kata standard of 11 could be attained if expensive cooling and humidification plant was installed, but the Kata standard, the Chief Inspector pointed out, might also in certain cases be reached if means were adopted to increase air movement inside the departments. The Chief Inspector next referred to the following devices which had been suggested for the purpose :—

(1) In weaving sheds flaps on the heald rollers would often enable a purely local cooling power of 11 to be reached. The Chief Inspector's experience had been that weavers objected to these on account of interference with their work but he was of opinion that it was desirable that further experience should be gained before this method was discarded as unsuitable in weaving sheds.

(2) Another method proposed was to fit paddles to line shafts. In this connection the Chief Inspector was ascertaining the effect on Kata cooling powers with paddles of varying sizes at varying speeds and at varying distances from line shafts, but their application in mills was limited and in certain cases it would be extremely dangerous to apply them.

(3) A third method was to fit a small punkah to the loom rail and drive it off the loom shaft through the warp. This, it appeared had received an extensive trial in one of the Bombay mills, but with rather disappointing results. On the other hand Ahmedabad experience, according to the Chief Inspector, was in the opposite direction and weavers there were asking for loom fans. This punkah was shaped like the ordinary electric fan and was mounted on an old ring spindle clamped to the loom rail. It was driven by tubular banding from the bare loom shaft on to the spindle warve. The shape and position of this punkah, the Chief Inspector stated, might leave something to be desired, but it offered distinct possibilities from the point of view of cooling power.

(4) The Chief Inspector next referred to the development by Mr. Taylor of the Finlay Mills of another type of fan for looms. This fan was mounted on bearings carried on two brackets bolted to the loom rail and was driven from a small wooden pulley fixed in the loom shaft. Four rectangular blades were secured to the fan shaft which was parallel to the rail. This fan seemed to be better than the other one and the Chief Inspector thought it desirable to try it out on looms. An expanded metal guard was provided, and a sample of the fan was open for inspection at the Chief Inspector's office.

The Chief Inspector went on to say that one mill in Bombay had fitted oscillating electric fans in the weaving shed and their effect both on cooling power and production was being watched.

In conclusion, the Chief Inspector requested the Association specially to examine the effect of the means suggested or other devices that might be adopted from the point of view of cooling power and manufacturing difficulties.

The Chief Inspector's letter was considered by the Technical Sub-Committee of the Association, and a reply was sent to him to the effect that the members of the Sub-Committee, without prejudice to their freedom of action in the future, would undertake experiments similar to those indicated in his letter and have observations made as to the effect upon the Kata cooling power of their weaving shed.

The Committee also requested the Chief Inspector that any conclusions or recommendations which he might make as a result of these experiments should be submitted for the consideration of the Committee before being made public.

Accordingly, the Chief Inspector of Factories forwarded, early in August, another letter to the Association detailing the results of these experiments, which is reproduced in full in the appendix.

At a later date a letter was also received from the Collector of Bombay recounting briefly the history of the investigations made during the last few years in this country in regard to ventilation and humidification, the opinions expressed by the Association in 1924 on Mr. Maloney's report, the degree to which cotton mills in this Presidency have complied with the humidity schedule which has been adopted since 1st April, 1927, and the results of experiments recently made with the object of ascertaining the advisability of adopting a ventilation standard based on the cooling power of the atmosphere as measured by the Kata thermometer. The Collector's letter went on to say that the three factors influencing Kata reading were temperature, humidity and air movement. Air movement could be increased by stirring up the departmental air, by producing currents of air by the provision of ordinary inlet or exhaust fans or by the admission of air after being cooled down by evaporative cooling to something near to the outside wet bulb temperature, and the following conclusions appeared capable of being drawn :—

(*a*) A considerable improvement in existing conditions, particularly in weaving sheds, might be made by the adoption of somewhat simple devices, e.g., shaft paddles, heald roller flaps or various types of fans but it would not be practical to fix a Kata standard on these means alone. It was desirable, however, that their use should be encouraged as far as possible. A Kata standard could, however, be fixed on air movement alone provided electric fans were adopted. The cost of installation of these would however be comparable with the cost of what must be considered the ideal solution, viz., the adoption of ventilating systems that provided a rapid renewal of the air in the department and at the same time cooling and purifying it ;

(*b*) the provision of exhaust or inlet fans in departments had little material effect on the Kata reading;

(*c*) the adoption of plants for humidifying and cooling the air, before admission to departments—particularly in hot and dry climates like Ahmedabad and Sholapur—would enable a Kata standard to be fixed in mills. The cost of the plant would be a heavy one in each case. The general adoption of the duct or gutter system with inlet fans and efficient spray chambers would, however, effect material improvements; and particularly, in those centres;

(*d*) the roof spraying of mills in hot centres effected a considerable improvement both from the point of view of the resulting reduction in internal temperature and also from the improvement in the Kata reading.

The Government of India had asked for the considered views of the local Government on the Kata standard and the humidity rules already introduced, and the Collector of Bombay therefore solicited the Association's views on the following questions:—

(*a*) whether the Kata thermometer, integrating as it did the effect of temperature, humidity, and air movement, all of which separately have an effect on comfort, should be accepted as the best means of ascertaining and estimating comfortable conditions in factories;

(*b*) if so, whether a wet Kata standard of 11, as recommended, should be adopted immediately or after a definite period;

(*c*) if not, whether a lower standard should be adopted. In this connection it was pointed out that several mills had made considerable improvements in their systems of ventilation, and alterations were contemplated by others which would probably not attain the proposed standard of 11. If an intermediate lower standard was adopted, it would often mean an alteration or additions to installed plant to reach the proposed standard, which it was considered should be the ultimate aim. If the standard of 11 was not fixed, a lower standard might hinder the development of contemplated improvements;

(*d*) in the event of a Kata standard not being adopted, whether advance should be made by means of a humidity schedule, together with the grant of powers to the Inspector to order, subject to appeal, measures to ensure a reduction of temperatures.

The Collector went on to say that, taking the textile industry as a whole, it had been found that the mills in all the centres of the Presidency, save Ahmedabad, had generally complied with the present schedule and that strong representations had been received from Ahmedabad for a modification in the present humidity schedule. The difficulty of compliance had been

attributed both to climatic and manufacturing difficulties, but mills at this centre had made few attempts to overcome climatic disabilities. It was felt, therefore, that, provided a Kata standard was not adopted, an Inspector should be given powers to deal with these conditions, as, even at Ahmedabad, the mills showed a considerable variation in the degree of compliance with the present schedule.

As an alternative therefore to the Kata standard, the Collector proposed, in addition to a humidity standard, to recommend the grant of powers to Inspectors to order measures for the reduction of temperatures which would only operate after outside shade temperatures exceeded a figure to be fixed by the Local Government. The Inspector's order, it was intended, would be subject to appeal. It was felt that the safeguard of appeal together with the strength of the Employers' Associations would prevent any abuse of power. In the event therefore of a Kata standard not being adopted, the Collector requested the Committee's support to the above proposal.

Subject to the observations made in the Committee's letter of September 1925 to the Government of Bombay "that a standard based on cooling power should not be introduced for the textile industry unless a similar standard was enforced in other industries at the same time," the Committee submitted their considered replies as under to the questions enumerated in the letter from the Collector of Bombay:—

(*a*) The cooling power of the atmosphere as measured by the wet Kata thermometer at head level constituted the best means of ascertaining and estimating the comfort of working conditions in textile and other factories generally. At the same time the Committee pointed out that in particular cases where the purity of air was affected either by injurious dust or poisonous fumes a Kata reading did not constitute an adequate measure of either the comfort or safety of atmospheric conditions.

(*b*) The results of the experiments which had recently been made in the textile and other factories in Bombay indicated that a Kata standard of 11 as recommended by the Adviser on humidification was rather in the nature of an ultimate ideal to be aimed at than a practical proposition. Even in Bombay where very considerable improvements had been made during recent years, a cooling power of 11 as measured by the wet Kata was seldom attained throughout the year. It would seem possible by adopting certain of the devices described in Mr. Maloney's report, and the letter of the Chief Inspector of Factories No. 2371, dated 3rd August, 1927, to increase slightly the cooling power of the air in certain departments of textile mills at a comparatively small cost, and the Committee were prepared to recommend that all members of the Association should devote greater attention to the problem of increasing localised air movement wherever possible with the object of increasing Kata cooling powers, when this could be done at a small cost. In this connection, however, the Committee pointed out that the experiments which had been made with

fans and heald paddles in weaving sheds had not always met with the approval of the workpeople themselves, and, for this reason, the Association was unable to give an unqualified undertaking that additional "cooling devices" would be adopted in the weaving sheds of all factories belonging to members of the Association. In the opinion of the Committee of the Association, the adoption of a wet Kata standard of 11 in all factories in either the immediate or near future, was ruled out of court owing to the very heavy costs which would be entailed.

(*c*) The objections to a Kata standard of a lower value than 11 as stated in the Collector's letter were, firstly, that even a lower standard would necessitate expensive alterations and additions to ventilating plants in many factories and, secondly, that a standard lower than 11 might hinder the development of contemplated improvements in certain establishments.

Under these circumstances, the Committee held that for the present no Kata standard should be enforced but cotton mills which maintained a wet Kata cooling power of 10 to 11 throughout the year might be excused from compliance with the humidity schedule now in force. This latter concession would undoubtedly help forward the experimental work which had recently been started with the object of increasing Kata cooling powers, and thus increase the possibility of enforcing a Kata standard in the future.

(*d*) The Committee were somewhat reluctant to express an opinion upon this point, but they were inclined to agree with the views expressed by the Chief Inspector of Factories at the conference held recently to discuss the results of the experiments which had been made in textile mills during this year, and the degree of compliance with the requirements of the existing humidity schedule. The results of the observations made showed that the great bulk of Ahmedabad mills had failed to comply with the existing humidity schedule. In Bombay City and Island mills the degree of compliance appeared to have been satisfactory except during the monsoon, and there appeared to be no demand for a relaxation of the schedule in this centre. Non-compliance in Ahmedabad had been attributed by the mills to climatic and manufacturing difficulties, but the Chief Inspector held that few real attempts had been made to overcome climatic disabilities, and a comparison with what had been accomplished in Sholapur and Nagpur where climatic conditions were somewhat similar gave a certain amount of weight to the Chief Inspector's views; but, on the other hand, it must be recognized that Ahmedabad mills had special manufacturing difficulties when producing heavily sized goods.

The solution proposed in the Collector's letter, in reality, amounted to a suggestion that a special humidity schedule should be allowed in the case of Ahmedabad, and that, in addition, powers should be given to Inspectors to order measures for the reduction of temperatures after outside temperatures exceeded a figure to be fixed by the local Government and indicated a *via media* which seemed reasonable and might appeal to the Ahmedabad Millowners' Association. The Committee, however, could not endorse the principle of giving such wide powers to all Factory Inspectors as were proposed, even though the orders of the Inspector would be subject to appeal. They were, however, prepared to agree to the grant of special powers to the Chief Inspector of Factories to order roof-spraying in the case of mills which consistently infringed the humidity schedule when the outside temperature exceeded 95° F. The results of the experiments which had been made did not, in the opinion of the Committee, call for the grant of wider powers than this. The efficacy of roof-spraying in the case of shed buildings when the outside temperature was higher than 90° F. was undoubted, and a roof-spraying plant was not expensive to install. The report of the Adviser on Humidification gave some idea as to its value and how it was appreciated by the workpeople who in the hot weather objected even to a temporary stoppage of roof-spraying for experimental purposes. The benefits of roof whitewashing and other measures which could be taken for temperature reduction, apart of course from the installation of new and expensive cooling and ventilating plants, were not always very great, and the Committee considered that it would be most unwise to give wider powers to Factory Inspectors in this matter than those indicated above. With reference to the matter of relaxing the existing humidity schedule, the number of infractions in Ahmedabad made it appear that the schedule should be slightly relaxed temporarily at the lower end of the scale on the distinct understanding that roof-spraying should be adopted where considered necessary by the Chief Inspector of Factories; that further efforts be made by the mills themselves to raise the cooling powers by increased air movements, and that all reasonable measures be taken to reduce temperatures as far as possible.

In conclusion, the Committee assured the Government of Bombay of the closest co-operation and help of the members of this Association in any reasonable measures which might be suggested for the amelioration of working conditions in textile factories and offered to afford the requisite facilities for the continuation of any further experimental work with this object in view.—(*Appendix* **22.**)

EXEMPTIONS UNDER THE INDIAN FACTORIES ACT.

The following notifications Nos. 741 (A) to C and 741 (F) issued by the Government of Bombay on 12th August 1927 are reproduced below for the purposes of record :—

No. 741 (A).—In exercise of the powers conferred by Section 32-A of the Indian Factories Act, 1911 (XII of 1911), and in supersession of Government Notifications in the General Department, Nos. 3224 (*a*) dated the 10th

July 1923 and 3224 (*b*) dated the 5th May 1924, the Governor in Council is pleased to exempt all factories other than those employed on continuous processes from the provisions of Section 22 of the said Act in respect of the persons employed in the engine room or boiler house, subject to the condition that no person shall be employed for more than six hours on the weekly holiday.

No. 741 (B).—In exercise of the powers conferred by clause (*a*) of sub-section (1) of Section 30 of the Indian Factories Act, 1911 (XII of 1911), and in modification of Government Notification, General Department, No. 3224 (*b*) dated the 10th July 1923, and Government Notification, General Department, No. 3224 (*a*) dated the 5th May 1924, in so far as they relate to the exemption of firemen and their attendants, the Governor in Council is pleased to exempt the work of persons employed in the engine room or boiler house in all factories other than those employed on continuous processes from the provisions of Sections 21, 27 and 28 of the said Act subject to the following conditions, namely :—

(*a*) that intervals for food and rest shall be given to all persons employed on such work ;

(*b*) that no person shall be employed for more than 66 hours in any one week ; and

(*c*) that no person shall be employed for more than 12 hours in any one day.

No. 741 (C).—In exercise of the powers conferred by clause (*b*) of sub-section (1) of Section 30 of the Indian Factories Act, 1911 (XII of 1911), and in modification of Government Notifications in the General Department, Nos. 3224 (*a*) dated the 10th July 1923 and 3224 (*b*) dated the 5th May 1924, the Governor in Council is pleased to exempt the work of drivers on the lighting, ventilating or humidifying apparatus in factories from the provisions of Sections 21, 22, 27 and 28 of the said Act subject to the following conditions, namely :—

(*a*) that intervals for food and rest shall be given to all persons employed on such work ;

(*b*) that no person shall be employed for more than six hours on the weekly holiday ;

(*c*) that no person shall be employed for more than 72 hours in any one week ; and

(*d*) that no person shall be employed for more than twelve hours in any one day.

No. 741 (F).—In exercise of the powers conferred by the first proviso to Section 35 of the Indian Factories Act, 1911 (XII of 1911), the Governor in Council is pleased to exempt all Government factories, cotton

spinning, weaving and hosiery factories, silk and woollen factories and railway workshops from the provisions of the said section in respect of persons other than children employed therein for definite periods laid down in the notice fixed in accordance with Section 36 of the said Act.

Provided that this exemption shall not apply to any factory which works on a system of shifts nor to persons exempted from the provisions of Sections 27 and 28 under clauses (*a*) and (*b*) of sub-section (1) or under sub-section (2) of Section 30 of the said Act.

A short note explaining these exemptions is given below :—

Hitherto exemption from the provisions of Sections 21, 22, 27 and 28 of the Factory Act was granted to—

(1) Work on urgent repairs performed by engine or power house drivers in cotton spinning and weaving mills, and

(2) Work on urgent repairs performed by drivers on the lighting, ventilating or humidifying apparatus in mills,

subject to the following conditions :—

(*a*) that the prescribed intervals for food and rest shall be given to all persons employed on such work ;

(*b*) that no person shall be employed for more than six hours on the weekly holiday ;

(*c*) that no person shall be employed for more than 78 hours in any one week ;

(*d*) that no person shall be employed for more than twelve hours in any one day.

The new notification No. 741 (A) grants exemption to all factories other than those employed in continuous processes from the provisions of Section 22, in respect of persons employed in the engine room or boiler house, subject to the condition that no person shall be employed for more than 6 hours on the weekly holiday.

The new notification No. 741 (B) exempts the work of persons employed in the engine room or boiler house in all factories other than those employed on the continuous processes from the provisions of Sections 21, 27 and 28 of the Act subject to the following conditions :—

(*a*) that intervals for food and rest shall be given to all persons employed on such work;

(*b*) that no person shall be employed for more than 66 hours in any one week; and

(*c*) that no person shall be employed for more than 12 hours in any one day.

As regards the work of drivers on the lighting, ventilating or humidifying apparatus in factories, the same conditions for exemptions from Sections 21, 22, 27 and 28 are to continue except that in condition (*c*) "78 hours" is to be substituted by "72 hours."

The most important of the new notifications is No. 741 (F). Section 35 of the Act lays down that in every factory there shall be kept, in the prescribed form, a register of all the persons employed in such factory, of their hours of work and of the nature of their respective employment. Henceforth the register will be necessary only in the case of children and in the following cases:—

(1) Factories working on a system of shifts;

(2) Persons who are exempted from the provisions of Sections 27 and 28 under clauses (*a*) and (*b*) of sub-section (1) or under sub-section (2) of Section 30 of the Act.

RULES UNDER THE INDIAN FACTORIES ACT—AMENDMENT.

In exercise of the powers conferred by clause (*k*) of sub-section (2) of Section 37 of the Indian Factories Act, 1911 (XII of 1911), the Government of Bombay have made certain further amendments in Form K in connection with reports of accidents in factories. The result of the amendment is that a report of the accident should be sent to the Factory Inspector in Form K even if the accident did not result in any injury.—(*Appendix* **23.**)

ACCIDENTS IN CARD ROOMS.

The Chief Inspector of Factories, in a letter to the Association on the subject of accidents occurring in the card room, stated that the carding engine was the most dangerous machine in the textile industry in Bombay and quoted certain statistics in support of his statement. He pointed out that a number of accidents occurred at the licker-in, and a fairly high proportion of these were due to operatives getting their hands caught in cleaning the grids or removing cotton from underneath card cylinders.

The Chief Inspector was of opinion that carding accidents might be reduced in two ways, (*a*) by improved safeguarding, and (*b*) by educative efforts on safety-first lines. With respect to (*a*), he stated that it was

admitted that, except for the card cylinder, carding engines were efficiently protected, but although Factory Inspectors had been for a considerable time advocating the provision of automatic motions on the cylinder doors, very little real headway had been made. Several mills had, however, provided automatic locks, and these mills rarely, if ever, had accidents at the cylinder. It was therefore considered that the time had come when the cylinder doors on cards should be provided with automatic locks, and he requested the Committee of the Association to make this recommendation to the members of the Association. In this connection he also pointed out that agreements in England in 1911 and 1912 between employers, operatives and Factory Inspectors included the provision of automatic locking motions on the cylinder doors.

As regards (*b*), the Chief Inspector stated that a number of accidents, especially those under the licker-in, were usually due to the ignorance of the workpeople, the ordinary card-room hand being probably more ignorant and less receptive to instruction than the operatives in other departments, and he thought that if safety-first posters were adopted they would be educative and also serve as a warning.

With a view to lessen the number of accidents, chiefly of a minor nature and not due to machinery, in railway workshops, the Chief Inspector had interviewed officials of the Railway Companies in Bombay, and although the latter did not hold, in the present state of illiteracy in India, that there was much scope for a safety-first movement as conducted on English or American lines, they agreed with the Chief Inspector that attractive posters would be of real value. The Chief Inspector suggested that somewhat similar posters would reduce accidents in the card room at a nominal cost which would be at once recovered by the Millowners' Mutual Insurance Association if only one or two accidents were prevented and requested the Association to recommend the " Mutual " to give effect to this suggestion.

The letter of the Chief Inspector was carefully considered by the Technical Sub-Committee of the Association who, in their report, stated that it would not be advisable for the Association to recommend to members the adoption of automatic locking motions on the cylinder doors so far as the old carding machines were concerned, for, the cost of providing automatic locking motions on the cylinder doors would be about Rs. 25 per carding machine, and in these critical times, mills could not be expected to spend a single pie if they could possibly avoid it. The Technical Sub-Committee recommended that the Factory Inspector might be advised to bring up his suggestion when better times returned, and that his suggestion might be passed on to members for adoption in the case of *new* cards.

The suggestion regarding pictorial posters met with the cordial approval of the Sub-Committee and they recommended that the Association should urge the Millowners' Mutual Insurance Association to give effect to this suggestion.

The report of the Technical Sub-Committee met with the Committee's approval, and the Chief Inspector of Factories and the Millowners' Mutual Insurance Association were informed accordingly.—(*Appendix* **24.**)

TETANUS ACCIDENTS.

The Chief Inspector of Factories, in a letter to the Association, stated that an examination of past accident records from mills with relation to deaths from tetanus pointed to a greater incidence amongst card-room hands than from others. The Superintendent, J. J. Hospital, on being interviewed in this connection, had ordered that carding machine accident cases should invariably be given a prophylactic dose of anti-tetanic serum. As several injured mill operatives were sent to the King Edward Memorial Hospital, the Chief Inspector of Factories inquired of the Superintendent of that hospital whether he would follow the practice introduced in the J. J. Hospital. The Superintendent of the King Edward Memorial Hospital agreed, provided the mill authorities sent a note with the man stating that he was employed in the card department.

The Chief Inspector of Factories therefore requested the Association to inform the managers of the mills of the facilities that had been arranged in the two hospitals and to ask them for a letter to be sent with each man injured at the cylinder, doffer or licker-in or stripper of carding machines.

A copy of the letter was sent to members of the Association with a recommendation to ask their mill-managers to comply with the suggestion made by the Chief Inspector.—(*Appendix* **25.**)

LOOM SHUTTLE GUARDS.

Early in February a letter was received from the Chief Inspector of Factories embodying the results of an inquiry made into the incidence of shuttle accidents on looms with respect to the type of guard used.

It was stated in the letter that practically all loom shuttle guards in the Bombay mills were either of the hook or bar type, and according to the data collected by the Chief Inspector of Factories, 90 per cent. of the accidents due to fly shuttles were caused on looms fitted with the hook type of guard. This type, in the Chief Inspector of Factories' opinion, was not satisfactory as the hooks got bent, worked loose and fell out, and in some cases the workers removed them and took them away for their own use; and further, the spacing of the hooks often left much to be desired. The Chief Inspector of Factories, however, stated that in some mills where special attention was paid to the spacing, and careful replacement of hooks, accidents were not as numerous as in others where the looms were fitted with this type of guard.

There was, however, little doubt in the mind of the Chief Inspector of Factories that the advantages, both from the point of view of accident prevention and the cost of maintenance, were in favour of the bar type of loom guard.

He therefore requested the Committee to recommend all members to replace gradually the hook type of shuttle guards by the bar type and added that the latter type of guards should be at least of ⅜" iron, securely bolted to the sley, with intermediate brackets on the broad looms, the grounds being fitted so that they might extend to at least half the shuttle's length from the spindle stud bolt, a space of not less than ⅝" being allowed between the temple and the guard.

The Chief Inspector of Factories was informed in reply that the Committee of the Association, after due consideration of the points raised in his letter, were prepared to recommend members of the Association gradually to replace hook guards by bar guards provided the Factory Inspection Department agreed not to pass orders for replacement where hook guards were at present used and maintained in efficient condition.

The Chief Inspector expressed his satisfaction at the Committee's action and gave the assurance that Factory Inspectors would not pass any orders in the mills where the maintenance and spacing of hook guards had been proved to be a reasonable preventive against accidents.—(*Appendix* **26.**)

INTERNATIONAL ECONOMIC CONFERENCE.

The International Economic Conference was held at Geneva on 4th May, India being represented by Sir Campbell Rhodes, Sir Ness Wadia and Dr. L. K. Hyder.

The Indian Merchants' Chamber addressed a letter to the President and Officers of the Conference strongly protesting against the action of the Government of India in sending only three representatives to Geneva when they were invited to send five non-official delegates.

The Indian Merchants' Chamber forwarded a copy of their letter to this Association with a request to send a cable to the authorities of the Conference supporting the letter.

The Committee of the Association, on careful consideration, did not deem it advisable to take any part in this controversy, and no action therefore, was taken in the matter.

Sir Ness Wadia, as a member of the Industries Committee which was one of the Committees set up at the Conference, rendered excellent service to the textile industry of this country by pointing out the difficulties the industry had to contend with owing to non-ratification by Japan of the Washington Conventions regarding hours of labour and non-employment of women at night. In the course of the discussion on what was called 'Rationalization,' Sir Ness Wadia urged that progress with the idea of a more efficient and rational organization of industry was necessarily connected with the simultaneous and equivalent raising of the standards and conditions of the working classes by all those countries which were in direct competition with one another, and he moved to add to Recommendation I (*c*), which dealt with the necessity, in applying the principle of rationalization,

for giving special attention to measures calculated to secure for the workers the best conditions of labour, the words "such improvements being difficult to achieve without any concerted action on the part of those countries which are in direct competition with one another." M. Arthur Fontaine, the President of the Governing Body of the Labour Organization, in his speech stated that, while he had every sympathy with the position of India in this matter, he thought that it was a question to be dealt with by the International Labour Conference rather than by the Economic Conference, and he undertook that the Labour Organization would continue to strive in every possible way for the realization of the Labour Conventions. On being appealed by M. Fontaine to withdraw his amendment, Sir Ness Wadia stated that he yielded to the high authority of M. Fontaine; that he noted his sympathetic attitude with regard to the Indian position and his declaration that the Labour Organization would continue to do its utmost to secure the observance of the Labour Conventions; and that he accordingly withdrew his proposal.

The Indian delegates say in their report:—

> "It is a matter of regret to us that we were not entirely successful in this intervention, for which we think we had reason to expect more support than we actually received. But we believe that Sir Ness Wadia's action gave a useful publicity to the facts, and created a general feeling of sympathy for India in her present difficulties, which may be a source of strength at some later juncture. M. Jouhaux, the French Labour leader, indicated clearly in a speech the exemplary record of India in respect of the Labour Conventions. The very fact that India's record in this matter is not that of the majority is apt, so it appeared to us, to operate as a difficulty when it is desired to convert sympathy into active and practical support." —(*Appendix* **27.**)

INTERNATIONAL LABOUR CONFERENCE—10TH SESSION—REPRESENTATIVES OF INDIA.

In pursuance of Article 389 of the Treaty of Versailles, the Government of India nominated the following officials and non-officials to represent the Government of India, the Employers and the Workers, respectively, at the Tenth Session of the International Labour Conference which was held at Geneva in May 1927:—

TO REPRESENT THE GOVERNMENT OF INDIA.

Delegates.

(1) SIR ATUL CHATTERJEE, K.C.I.E., High Commissioner for India.
(2) SIR LOUIS J. KERSHAW, K.C.S.I., C.I.E., India Office, London.

Advisers.

(1) Mr. J. C. WALTON, M.C., India Office, London.
(2) MR. S. LALL, I.C.S., Under-Secretary to the Government of India, Department of Industries and Labour.

To Represent the Employers.

Delegate.

Mr. G. D. Birla, M.L.A.

To Represent the Workers.

Delegate.

Mr. V. V. Giri, Bar.-at-Law, Berhampur.

Advisers.

Mr. G. Sethi, General Secretary, Jamshedpur Labour Association Jamshedpur.

INTERNATIONAL LABOUR CONFERENCE—10TH SESSION.

Report by the Employers' Delegate, Mr. G. D. Birla.

Mr. G. D. Birla who was appointed by the Government of India to act as the employers' delegate at the 10th session of the International Labour Conference, forwarded to the Association an interesting report of the work done at the Conference, and in his covering letter he stressed the point that an Indian should always be appointed to represent the employers of this country at these annual Conferences. This Association, which is the largest of industrial associations in this country, having Indians as well as Europeans as members, was unable to subscribe to the view taken by Mr. Birla, and he was informed that in the Association's opinion the most suitable man should be elected every year to represent the employers of this country. The more important points mentioned in Mr. Birla's report are mentioned below for purposes of record :—

(1) Mr. Birla commenced his report by pointing out at length the difficulties experienced by the employers' delegate owing to the absence of advisers and urged that Governmentt should appoint the full number of advisers as laid down in the Peace Treaty. The Committee entirely agreed with this suggestion.

(2) As regards the proposal for an Indian national correspondent in India with an office at Delhi, Mr. Birla urged that the office of the national correspondent should be either in Calcutta or Bombay in order that he may be able to keep himself in touch with Indian labour, that he should be an Indian and that the literature issued from his office should be in the vernacular.

Mr. Birla also criticized strongly the non-ratification by Japan of the Washington Convention regarding hours of work. Mr. Kasama, representing the Japanese Government, and Mr. Imbata, representing the Japanese

employers, defended the policy of the Japanese Government, while Mr. Suzuki, the labour representative from Japan, passed severe strictures on the Japanse labour conditions and the policy pursued by the Japanese Government with regard to the Washington Convention. Mr. Suzuki also made a suggestion to the International Labour Office to hold a session of the Conference in the Far East. " We resent the fact," said Mr. Suzuki, " that the Japanese Government has not ratified the Washington Convention regarding hours of work, and I condemn the authorities of my country for this." —(*Appendix* **28.**)

ELEVENTH SESSION OF THE INTERNATIONAL LABOUR CONFERENCE.

APPOINTMENT OF EMPLOYERS' DELEGATE.

The following press *communique* was published in the newspapers on 9th September, 1927 :—

" The Government of India have been informed that the eleventh session of the International Labour Conference will be held at Geneva in 1928. The exact date will be notified later. The items on the formal agenda of the session are: (1) Minimum wage-fixing machinery ; (2) Prevention of industrial accidents, including accidents due to coupling on railways. Under the new double discussion procedure which came into operation for the first time at the tenth session of the Conference, there will be a final discussion on the first item and a first discussion on the second. The election of the governing body will also take place at this conference.

The representation of each State should include four delegates of whom two will be Government representatives, one a representative of employers, and one a representative of labour. The right of nominating all delegates rest with Government, but in selecting delegates for employers and labour the Government of India will attach importance to the recommendations made by the organized representative associations of employers and employed.

All suggestions as to nomination of non-Government delegates should reach the Secretary to the Government of India in the Department of Industries and Labour at the earliest possible date, and in any case not later than 1st January, 1928, in order to enable Government to make the selections, to report them to the International Labour Office, and to make adequate arrangements for the journey of the delegates. Allowances (on a scale which can be ascertained by application to the Department of Industries and Labour) will be granted by Government to defray the expenses of delegates finally nominated."

The Committee of the Association requested Government to nominate Sir Ness Wadia, K.B.E., C.I.E., as the employers' delegate at the next session of the International Labour Conference. The Committee stated in

their letter that Sir Ness Wadia was one of the largest employers of labour in India, and, as a past Chairman of the Bombay Millowners' Association, had a very intimate and special knowledge of the subjects to be dealt with at the Conference, and was eminently qualified to represent the employers of India at the next International Labour Conference.

The Committee also suggested the names of Mr. Shanmukham Chetty, M.L.A., of Coimbatore, and Mr. Devi Prasad Khaitan of Calcutta as advisers to the employers' delegate.

In this connection the Committee also invited Government's attention to an important point which appeared to have been overlooked by them in recent years while making these nominations. Article 389 of the Peace Treaty lays down, *inter alia*, that of the four representatives to be delegated by each member-state " two shall be Government delegates and the two others shall be delegates representing the employers and the workpeople of each of the members," and further on in the same article, it is stated that " the members undertake to nominate non-Government delegates and advisers chosen in agreement with the industrial organizations, if such organizations exist, which are *most representative of employers or workpeople*, as the case may be, in their respective countries.".

It is clear from the above-quoted article that in nominating a delegate to represent the employers of this country, Government should be guided mainly by the recommendations of employers' associations. The Committee were of course fully cognizant of the importance which the Government of India attached to the views expressed by Chambers of Commerce on general and mercantile questions and were fully agreed that due weight should be given to their views on such questions. At the same time, the Committee maintained that it would be violating the spirit of the Treaty of Versailles if Government, while nominating a delegate on behalf of the employers of this country, were to attach greater importance to the recommendations of the different Chambers of Commerce than to the recommendations of the recognized associations of employers.

The Associations' suggestion regarding Sir Ness Wadias' nomination was supported by other leading associations of employers such as the Ahmedabad Millowners' Association, Indian Jute Mills Association, the Khamgaon Factory-owners' Federation, the Indian Tea Association, the United Planters' Association of South India and the Indian Mining Association, and some of those Chambers of Commerce which represent certain large industrial employers of this country such as the Upper India Chamber of Commerce (representing the cotton mills of Cawnpore). Besides the above bodies, certain important Chambers of Commerce as distinct from industrial employers' associations also voted for Sir Ness Wadia, such as the Bengal Chamber of Commerce, the Bombay Chamber of Commerce, the Karachi Chamber of Commerce, the Tuticorin Chamber of Commerce and the Madras Chamber of Commerce.

In view of the above considerations and the importance to the main industries of this country of the subjects to be discussed at the next session

of the International Labour Conference, the Committee expressed the hope that the Government of India would see their way to nominate Sir Ness Wadia as the employers' delegate.—(*Appendix* **29.**)

HEDGE CONTRACTS.

(*See pages* 63 *and* 287 *of report for* 1926.)

Members are aware that the Committee of the Association have had a good deal of correspondence in recent years with the East India Cotton Association regarding the advisability of broadening the existing hedge contracts. In 1925, a satisfactory solution of the differences between the two Associations on this question was suggested by Messrs. Forbes, Forbes Campbell & Co., who put forward certain proposals which with slight modification met with the approval both of the Board of Directors of the East India Cotton Association and the Committee of this Association. These proposals, however, were opposed by the Muccadams' and Jaithawallas' panels, and thanks to the combination of these two panels, the proposals were thrown out at a meeting of the Representative Committee of the East India Cotton Association held on 22nd June 1925.

The Indian Tariff Board (Cotton Textile Industry Enquiry) dealt with the subject of hedge contracts in para 55 of their report and they recommended the adoption of Messrs. Forbes, Forbes Campbell & Co.'s suggestions as a preliminary step towards the attainment of the ideal laid down by the Government of India in their letter dated 25th September 1920 to the Government of Bombay wherein it was stated :—

> " As regards hedge contracts, the Government of India recognize that the ideal to aim at is that there should be, as in the Liverpool and New York markets, a single hedge contract. But they understand that the introduction of a single hedge contract is opposed by the great majority of Bombay traders and they will not object to a reasonable number of such contracts provided that, in framing the conditions of each contract the principle is observed that the contract must be wide enough to prevent cornering by speculators."

The Tariff Board characterized the proposals of Messrs. Forbes, Forbes Campbell & Co. as " a reasonable and workable compromise," and they further expressed the hope that the Representative Committee " realizing the necessity of strengthening the Bombay mill industry in all possible ways, with corresponding advantage to the cotton trade as a whole, would find itself in a position to accept them."

At the instance of Sir Ness Wadia, the Committee addressed another letter to the Board of the East India Cotton Association commending the above observations of the Tariff Board to their earnest consideration and requesting them to place the proposals of Messrs. Forbes, Forbes Campbell & Co. once again before the Representative Committee for their consideration. It was also suggested that the 55th paragraph of the Tariff Board's report might be brought prominently to the notice of the members of the Representative Committee as an indication of what an impartial body like the Tariff Board had to say in this matter.

The Committee considered it unfortunate that proposals which had met with the approval of the Board of Directors of the East India Cotton Association and the Committee of this Association should have been rejected by the Representative Committee of the East India Cotton Association chiefly owing to the opposition of certain elements and their inadequate appreciation of the true and legitimate purpose and nature of hedge contracts.

The East India Cotton Association, in their letter dated 12th March 1926 addressed to this Association, stated that their Board did not consider that any useful purpose would be served by placing before the Representative Committee any proposals for widening hedge contracts until such time as the trade as a whole were "further educated to a full significance of and necessity for the proposed changes in the hedge contracts." The Committee of the Association had reason to believe that the attitude of those sections which were opposed to widening the hedge contracts was much more favourable than it was a year ago and considered that in view of the recommendations made by an independent body like the Tariff Board, the proposals of Messrs. Forbes, Forbes Campbell & Co. would stand a very good chance of being adopted by the Representative Committee.

The Committee expressed the hope that the Board would do their best to impress upon the Representative Committee the urgent necessity of reform, and would take an early opportunity of convening a meeting for the consideration of Messrs. Forbes, Forbes Campbell & Co.'s suggestions or any other scheme of a similar character for the same object.—(*Appendix* **30.**)

REMOVAL OF THE RESTRICTION OF TRADING HOURS BY THE EAST INDIA COTTON ASSOCIATION.

(*See pages* 52 *and* 278 *of Report for* 1924.)

On 3rd October, 1927, the Board of the East India Cotton Association put up the following notice :—

> "It is hereby notified for the information of the members that the Board have this day decided to cancel all the restrictions regarding trading hours with effect from date."

The reasons that led the Board to take this step were explained by Sir Purshotamdas Thakurdas, Chairman of the Board of the East India Cotton Association, in an interview granted to the representative of the *Times of India* and published in that paper on Wednesday, 5th October. Sir Purshotamdas Thakurdas said :—

> "Because the restriction on trading hours has been removed it does not necessarily follow that people will be trading in cotton for all the 24 hours. In view of the efforts made to carry on trading in cotton under various forms, a good deal of injustice and hardship was experienced by the members of the East India Cotton Association. But the Board were hoping that public opinion and the law would discourage these flank movements. The decision of the learned Chief Presidency Magistrate, however, has delayed this desideratum and the Directors of the East India Cotton Association felt that the

fairest thing to do was to leave the members of the Association free to trade at such hours as might best suit them. The cotton market is liable to serious fluctuations this season and in order to put people outside temptation and risk of doing anything illegal, the Board were, I think, quite justified in coming to the decision that they did on Monday.

"There is a good deal of misapprehension on the part of certain sections of the Press," Sir Purshotamdas continued, "regarding the outlook of the East India Cotton Association on 'Kutcha Khandi' or any other more respectable-looking institution carrying on practically the work of 'Kutcha Khandi.' To those not in intimate touch with the details of the work of these latter named bodies, plausible cases have been made out approving of the Chief Presidency Magistrate's judgment. As, however, the decision of the Government of Bombay in this behalf is not yet known, it would not be right for me to dwell at any length on this question. All that I can say is that the Board arrived at their decision on Monday, after giving fullest consideration to every possible alternative of remedying the situation, and it can certainly not be said that the Board took any hasty action in this connection."

The representatives of this Association on the Board of the East India Cotton Association supported the removal of restriction as a temporary expedient for checking the operation of the Kutcha Khandi market, to which this Association was strenuously opposed.

Early in November, a member drew attention to the Association's previous attitude on this question and the evil of permitting trading all the 24 hours. It was pointed out that the restriction on trading hours could only be removed in case of emergency as was done in the Liverpool and New York markets, and that the step taken by the Board of the East India Cotton Association was not an effective remedy for stopping Kutcha Khandi business, for it was notorious that some members of the East India Cotton Association themselves indulged in Kutcha Khandi business.

The Committee decided to take up this question with the East India Cotton Association and in a letter to that Association they recalled the fact that they had always been opposed to trading all hours of the day and night, and in 1924 when the Board of the East India Cotton Association made it permissible for the members of the Association to trade during all the 24 hours, the Committee had put up a strong opposition with the result that the Board were constrained to cancel the suspension of By-law 50 whereby trading all the 24 hours had been rendered permissible.

The Committee were of opinion that trading in Kutcha Khandi could only be prevented by legislation designed to make such trading illegal, and they therefore urged the Board of the East India Cotton Association to take the necessary steps to obtain the very early sanction of Government to such legislation in order that reasonable trading hours might once more be resumed. Trading all the 24 hours was, the Committee maintained, a mere palliative and no real remedy for stopping Kutcha Khandi business.

The letter went on to point out that certain members of the East India Cotton Association were also associate members of the Liverpool Cotton Association, which had always insisted on regular trading hours and it was feared that the Liverpool Cotton Association might deem it derogatory to its dignity to have as members persons connected with an association which permitted trading all the 24 hours.

No cotton exchange in the world permitted trading throughout the day and night and every cotton exchange had fixed trading hours. The Committee earnestly hoped the Board of the East India Cotton Association would take the necessary steps as early as possible to regulate trading hours so that that Association might be in line with other similar associations, and would further move Government to enact the necessary legislation to render 'Kutcha Khandi' business illegal.

In their reply, the East India Cotton Association stated that in view of the fact that the Government of Bombay had directed the Government Pleader, to present an appeal against the Chief Presidency Magistrate's order of acquittal in the 'Kutcha Khandi' case, they considered that it would be premature on their part to urge Government to enact legislation to make trading in 'Kutcha Khandi' illegal. Their Board were conscious of the deficiencies of Act No. XIV of 1922 for the control and regulation of transactions in cotton in Bombay, and were anxious to take such action in the matter as circumstances, after final disposal of the appeal by the High Court, might in their opinion justify, with a view to strengthening the provisions of Section 5 of that Act by enactment of a penal clause in respect to all transactions in cotton not made subject to, and in accordance with, the by-laws of the East India Cotton Association.

The Committee of the Association, in view of this reply from the East India Cotton Association, decided not to pursue the matter further pending the decision of the appeal by the High Court.—(*Appendix* **31.**)

FUMIGATION OF AMERICAN COTTON.

(*See pages* 59 *and* 278 *of Report for* 1926.)

In the Association's Report for 1926 a summary was given of the letter addressed to the Indian Central Cotton Committee recommending that fumigation of American cotton was not necessary and should be done away with. The Association's letter was considered by the Indian Central Cotton Committee at their 14th Meeting held from 24th to 26th January 1927, when the following resolution was passed :—

> " That in view of the unexpectedly large quantity of American cotton being imported into this country resulting in a heavy charge on the textile trade for fumigation, this Committee is of the opinion that the Government of India be requested to cause further immediate scientific investigations to be made with a view to ascertaining :—
>
> (1) If it is a practical fact that the Mexican Boll Weevil can be imported into India in American cotton and if it would be a danger to the cotton crop of this country ?
>
> (2) If so, to what extent should fumigation be enforced ?"

When the Committee of the Association came to know of the above resolution early in February, they addressed another representation to the Indian Central Cotton Committee in which they stated that they approved of a thorough examination of this question *de novo* by the Government of India in accordance with the above resolution, and they hoped Government would expedite the investigation of this matter.

Opportunity was taken at the same time to invite the attention of the Indian Central Cotton Committee to the underquoted extract from the *Agricultural Journal* of the Pusa Institute which very materially strengthened the case put forward by the Association for doing away entirely with fumigation :—

> "In connection with the measures undertaken to prevent the introduction of *Authonomus grandis* (the cotton boll weevil of America) into this country, the services of an Assistant (Mr. R. N. Mathur) were placed at the disposal of the Indian Central Cotton Committee. For two months, the Assistant stopped in Bombay and carefully examined the bales of American cotton imported into India. The examination of the bales was carried on before fumigation, after fumigation, again on the wharf, and in a few cases when opened out in the mills. In all 12,615 bales were examined, of which 107 were opened out. Only a single crushed specimen of *A. grandis* was secured.
>
> "Mr. Mathur also examined other 'living plants' that were imported during his stay in Bombay. These plants were being fumigated under the inspection of the Customs officers at the Parel Laboratory. So far no steps are being taken to keep a record of intercepted insects, and we are absolutely in the dark as to what insects we are likely to find introduced into this country. Taking precautionary measures such as fumigation or prohibiting the importation of certain material without definitely knowing what insects can reach the shores of this country alive and get a footing here is, to say the least, very uneconomic. Staff trained in entomology should be employed at the ports to report on the insects coming in and every pest we wish to guard against must be studied. It will be much cheaper and productive of more good if money be spent on this than on fumigating dead insects."

It appeared from the above that Government had already at their disposal sufficient information to warrant the total stoppage of fumigation without any further investigation. The Committee of the Association, however, had no objection to further investigation being made to enable Government to come to a definite conclusion on the question.

In the second paragraph of the Association's letter of 17th December, 1926, the authority of Col. A. B. Shepperson was quoted to show that damage from boll weevil in America during the past season was comparatively light. This view was further endorsed by Prof. John A. Todd who, in an article on "The World's Cotton Industry" which appeared in the *Times of India* dated 30th December, 1926, stated :—

"After three years of terrible loss due to boll weevil it seemed as if the American crop could never recover its old position; but in some way yet to be explained the weevil has apparently been got under, for the time being at least, and this year's average yield is higher than many of the years before the pest had covered half the belt."

The Committee went on to say that the strongest argument to prove the non-necessity of fumigation was, that in spite of very heavy importations of American cotton into India when the boll weevil damage was at its height in America and no fumigation arrangements existed in India, the boll weevil did not enter the country or if it did, must either have been dead upon arrival, or failed to thrive on Indian cotton. Now that the boll weevil had admittedly been got under control in America there was hardly any justification, in the Committee's opinion, for fumigating American cotton and saddling importers with unnecessary costs. The Committee maintained that *practical* proof as to the possibility of damage from the boll weevil in India should be furnished to the trade, instead of the trade being penalised with heavy charges based on *theory* only.

In conclusion, the Committee stated that in the very unlikely event of Government arriving at a conclusion different from that reached by the Committee of this Association, due consideration should be given to the view expressed by the Imperial Entomologist to the effect that if the boll weevil survived the journey to India, then the chief danger was in the probability of the weevil escaping *en route* on the way from Bombay to other places, the danger in Bombay City being small as it was well isolated from cotton-growing districts. If, therefore, Government, as a result of their investigations, came to the conclusion that the danger to India from the boll weevil was real and must be guarded against, then, the Committee submitted, fumigation should be confined only to American cotton going from Bombay to up-country centres. All cotton going to cotton-growing districts must, of necessity, go by rail and it would entail no additional difficulties if cotton were to be fumigated at the rail-heads instead of at the docks.

Copies of the two letters addressed to the Central Cotton Committee were also forwarded to the Government of India for their information, and every available opportunity will be taken by the Committee to urge upon the Government of India the desirability of proceeding with and completing the experiments in regard to the necessity of fumigation at the earliest possible date.—(*Appendix* **32.**)

REDUCTION IN FUMIGATION CHARGES.

During the year under review, fumigation charges during fair weather were reduced from Rs. 3-6-0 per bale to Rs. 3-1-0 per bale, and during the monsoon from Rs. 4-14-0 to Rs. 3-12-0 per bale. The monsoon extra charge of 11 annas was mainly designed to cover additional transport charges when cotton had to be landed in quarantine, and the Government of India decided that as long as it was not necessary to quarantine unfumigated cotton the fair weather fumigation fees without the monsoon extra fee should be charged

The Government of India also notified that the minimum fee of Rs. 15 per cent. instead of applying to individual consignments should apply to all the cotton arriving by a single ship and that the minimum fee should be divided proportionately among the consignees.—(*Appendix* **33.**)

BOMBAY COTTON MARKETS ACT.

(*See pages* 52 *and* 307 *of Report for* 1923.)

A Bill to provide for the establishment and the better regulation of cotton markets in the Bombay Presidency was published under Rule 18 of the Bombay Legislative Council Rules in the *Bombay Government Gazette*, dated 24th January, 1927. The Statement of Objects and Reasons attached to the Bill is reproduced below :—

> "The Indian Cotton Committee of 1917-18 drew attention to the necessity of better provision for the marketing of cotton and kapas by growers, and pointed out the advantages of the Berar system of cotton markets as leading to better prices, fairer weighments and the prevention of illegal deductions. They held that the establishment of open cotton markets of this nature would benefit the grower and indirectly the cotton trade generally. The experience gained through the work of the Co-operative Cotton Sale Societies has also shown the great value of an organization for the sale of graded kapas.
>
> "The present Bill, which is purely an enabling measure, is based on the recommendations of the Indian Cotton Committee and on the Berar Cotton and Grain Markets Law, 1897. Cotton markets recognized by custom already exist in parts of the Bombay Presidency, but no legal sanction exists for the regulation of such markets other than the market in the city of Bombay. The Bill applies to the whole of the Presidency of Bombay except the city of Bombay and Aden. By clause 4 power is taken to notify any place as a cotton market, the notification defining the limits of such market. Provision has also been made for local opinion being consulted, before a cotton market is so established. On the establishment of a cotton market a market committee is to be constituted including representatives of the cotton growers, of the cotton trade and of the local authority within whose jurisdiction the market is situated. Provision is to be made by rules for the composition of the market committee, the management of the market, and the conduct of the affairs of the cotton market by the committee; and the market committee is empowered to make by-laws to regulate business and the conditions of trading. Under clause 16 no private market for the purchase and sale of cotton may be opened in or near places declared to be cotton markets. Provision has also been made for disallowing trade allowances other than prescribed trade allowances, and for penalties for violation of the substantive provisions of the Act and of the rules. Clause 15 states when a market committee may be superseded and the consequences of its supersession."

The Association's Report for 1923 contains the Committee's views regarding the establishment of cotton markets upon the Berar system. However, since the letter of 12th June, 1923, was forwarded to Government, the

Committee's views had considerably changed as a result of the investigations made by the Central Cotton Committee into the financing of the cotton crop in various parts of the Presidency, and it was thought that the new Bill did not call for any adverse criticism, except that the definition of 'cotton' should be so amended as to exclude 'waste.' The three members of the Association occupying seats in the Bombay Legislative Council were accordingly requested to use their best endeavours to get the definition of 'cotton' amended.

The Bill was introduced in the Legislative Council in July 1927 and passed its third reading on October 1st, 1927. The Act is reproduced in full in the appendix.—(*Appendix* **34.**)

PROPOSED AMENDMENTS BY THE COTTON MERCHANTS AND MUCCADAMS' ASSOCIATION IN RULES REGARDING WEIGHMENTS OF COTTON BALES AND ALLOWANCES IN CASE OF BURST BALES.

About the end of November the attention of the Committee was drawn to a circular letter addressed by the Secretary, Bombay Cotton Merchants' and Muccadams' Association, Ltd., to the members of that Association intimating that at the Extraordinary General Meeting to be held on 26th November 1927, proposals would be placed before them to the effect that from 1st January 1928, no stone allowance should be allowed in weighments of bales either in the form of actual stone put in the scale, or in the form of deduction from weighment figures as stone allowance, and that no allowance should be made for burst bales.

The Committee were considerably surprised at this attempt on the part of the Muccadams' Association to impose their own rules on the cotton trade. The East India Cotton Association was the properly constituted body for making alterations in the existing rules and regulations, and the attempted usurpation of the functions of that Association by the Muccadams' Association deserved, in the Committee's opinion, to be severely dealt with. The Committee therefore addressed a letter to the East India Cotton Association inquiring what steps they proposed to take to stop the Muccadams' Association from attempting an alteration in the existing rules and regulations without previous consultation with all sections of the trade through the medium provided by the East India Cotton Association.

The East India Cotton Association, in their reply, stated that the Muccadams' Association made it clear to them that the amendments would be brought in force only after they were duly passed by the East India Cotton Association. They further gave an assurance that no alterations could be made in the rules by the Muccadams' Association without the approval of the East India Cotton Association and subsequent sanction by the Government of Bombay.

In the meanwhile, the Muccadams' Association issued a printed circular to the cotton trade, informing the trade of the following resolution passed at their Extraordinary General Meeting held on the 26th November, 1927 :—

" That it be and is hereby resolved :—

(1) That with effect from the 1st January, 1928, no allowance should be allowed as stone allowance either by deducting in the weighment figures or by putting a stone in the scales.

(2) That on sales made from the 1st of January, 1928, no extra lbs. should be allowed in consideration of burst and re-pressed bales. That this should apply only to those of the burst or re-pressed bales which the buyer is liable to take under the by-laws Nos. 119 and 96 of the East India Cotton Association, Ltd."

The circular to the cotton trade was concluded as below :—

" All the members of this Association and the cotton trade are hereby informed, therefore, that no stone allowance and no extra pounds over such of the burst or re-pressed bales as the buyer is liable to take under the by-laws of the East India Cotton Association, Ltd., shall be allowed from the 1st January, 1928, until further notice."

The Committee immediately addressed another letter to the East India Cotton Association, inviting their attention to the printed circular from the Muccadams' Association. The Committee reiterated the views expressed in the previous letter as to the irresponsible manner in which the Muccadams' Association had acted, and inquired what steps the East India Cotton Association proposed to take in the matter.

The Committee also addressed a letter on similar lines to the Bombay Cotton Merchants' and Muccadams Association and pointed out that any attempt on their part to enforce the proposed amendments was likely to cause friction between the muccadams and buyers of cotton, and in order to avert this the Committee hoped the Muccadams' Association would issue another circular explaining that the rules and practice hitherto observed would be adhered to, pending consideration by the East India Cotton Association. The Association has since been informed by the Muccadams' Association that the new rules will not be enforced for the present —(*Appendix* **35.**)

QUALITY OF KUMPTA COTTON LAST SEASON.

The Indian Central Cotton Committee, at the instance of Sir Purshotamdas Thakurdas, forwarded to the Association a copy of a letter addressed by the Co-operative Cotton Sale Society, Ltd., to the representatives of Messrs. Tata Sons, Ltd. at Hubli. It was stated in that letter that owing to large purchases of American cotton by cotton mills and of low quality Kumpta cotton available in the Bombay market, genuine Kumpta cotton

was not much in demand, and in order to bring down the price of genuine Kumpta cotton, merchants had to take recourse to malpractices such as mixing Dharwar-American cotton, low grade cotton, cotton-seed, etc., with genuine Kumpta, and watering cotton before pressing. Even this inferior Kumpta was favoured by mills. All these factors, according to the Co-operative Society, led to the deterioration of the quality of Kumpta during the season, and the fall in quality could not be attributed to the crop itself. Though the yield was considerably reduced owing to want of timely rains, the quality and staple were not in the least affected, according to the Co-operative Society. The process of watering cotton before pressing was adopted only during this season. The Society appealed to millowners to buy cotton direct from them.

In reply, the Central Cotton Committee were informed that the Committee of this Association condemned strongly the malpractices referred to by the Managing Director, Co-operative Cotton Sale Society, Ltd., but at the same time they took strong exception to the statement made by the Director that the millowners favoured the purchase of inferior cotton.—(*Appendix* **36.**)

RESULT OF THE APPLICATION OF THE COTTON TRANSPORT ACT ON BOMBAY AND MADRAS COTTONS.

(*See pages* 65 *and* 291 *of Report for* 1926.)

The Indian Central Cotton Committee requested the Committee of the Association for an expression of opinion as to the effect of the Cotton Transport Act on this season's cotton in different parts of the country.

The Central Cotton Committee in their letter referred to the complaints received by them to the effect that the Cotton Transport Act had not been effective in the Kumpta-Dharwar protected area. Statements were made that fly was being mixed with Upland cotton and that various other forms of mixing had taken place. On making inquiries, however, the Central Cotton Committee found no evidence to show that fly had been introduced into the area. There was a small quantity of fly produced within the area by the mills at Hubli, Gokak and Kolhapur, but these mills had given an assurance that all the fly produced by them was used by their own waste spinning plant. There had been a certain amount of mixing of Upland cotton with Kumpta and also of good Kumpta with indifferent Kumpta. —the quality of Kumpta had been somewhat variable in different parts of the protected area owing to the nature of the season. The Cotton Transport Act, however, was powerless to check the mixing of cottons grown within the same protected area, and the Central Cotton Committee were considering other means of dealing with this problem.

The Central Cotton Committee also desired to know the views of the Committee regarding the effects of the Cotton Transport Act on the Kumpta-Dharwar area and also the protected areas in Madras, viz., (*a*) the Northerns and Westerns areas, (*b*) the Cambodia area and (*c*) the Tinnevelly area.

The Committee of the Association held that it was premature to express any views regarding the results of the working of the Cotton Transport Act in different parts of the country. The experience of one season

was apt to be belied by that of another, and it was the Committee's considered opinion that a test over a number of years was necessary before a correct estimate of the results of the working of the Cotton Transport Act could be made. Under the circumstances, the Committee deemed it advisable to refrain from expressing any opinion at this stage on the effect of the Cotton Transport Act on the quality of different cottons mentioned in the letter from the Central Cotton Committee.—(*Appendix* **37.**)

WATERING AND OTHER MALPRACTICES IN GINNING AND PRESSING FACTORIES.

The Secretary to the Indian Central Cotton Committee, in a letter to the Association, stated that the Indian Central Cotton Committee had since November 1926 devoted a good deal of attention to the watering of cotton which had been prevalent to a larger extent than in any previous year. They had taken various steps to bring to general notice the fact that such watering damaged the cotton, led to a lowering of the reputation of the cotton tract concerned and eventually reacted adversely on the prices received by the grower.

One of the difficulties in dealing with this matter, the Central Cotton Committee pointed out, was that the up-country middleman or merchant responsible for the watering frequently did not suffer from the effects of his malpractices as he was able to part with the cotton before any deterioration took place. The Central Cotton Committee had been informed that Oomras cotton of the season was unusually free from weather damage, and naturally should have been of an unusually high class, but the class was lowered as the result of watering and further, that the prices realized were lower than they would have otherwise been owing to fear of deterioration of the watered cotton during storage.

The Central Cotton Committee had taken steps to encourage full advantage being taken of the Cotton Ginning and Pressing Factories Act to deal with this abuse. That Act, however, merely enabled buyers to trace unsatisfactory cotton back to press and thence to the owner of the cotton at the time of pressing. The Central Cotton Committee suggested that the Association should ask all members to assist them in discouraging the practice of watering cotton by giving special attention in future to indication of watering in cotton offered or delivered and by sending them statements of the press marks on bales found to contain watered cotton.

The Committee of the Association, after due consideration, forwarded a copy of the letter from the Central Cotton Committee to all members of the Association and asked them to inform the Central Cotton Committee of the particulars regarding 'press marks' of any bales in which excess moisture was found to exist.

It is understood that the Sub-Committees of the Central Cotton Committee and the East India Cotton Association have under their consideration suggestions for checking malpractices such as watering of cotton, etc. When these are communicated to this Association they will be sympathetically considered by the Committee of the Association.—(*Appendix* **38.**)

IMPORT DUTY ON MILL STORES.

THE CASE OF NAPTHOL AS AND BOBBINS AND PIRNS.

The Government of India, in the course of their Resolution No. 341-T. (27), dated 7th June 1927, on the recommendations made by the Indian Tariff Board, stated that legislation would be introduced at the September session of the Indian Legislature to remove altogether, with effect from 1st October 1927, the duties on the following articles :—

All machinery and component parts of machinery as defined in items Nos. 51, 51A and 51B of the Import Tariff Schedule (Schedule II to the Indian Tariff Act, 1894) ;
Aniline and alizarine dyes ;
Bleaching powder and paste ;
Farina ;
China-clay ;
Sago flour ;
Magnesium chloride ;
Starch ; and
Cotton ropes.

It appeared to the Committee that there were several other articles of stores used principally by cotton mills which ought to be included in the "free list," and the matter formed the subject of a discussion in Simla between the Honourable Sir George Rainy and some of the members of the deputation which waited on H. E. the Viceroy in connection with Government's first decision on the Tariff Board's report. Subsequently the Committee addressed representations to Government on the subject.

In their revised decision on the Tariff Board's report, dated 10th August 1927, Government said :—

> "After considering the representations of the Millowners, the Government of India have also decided to include in the list of machinery and mill stores to be exempted from duty bobbins and pirns, picking sticks, roller skins, and roller cloth, clearer cloth and sizing flannel. They have also endeavoured to word the definition of the dyes to be exempted from duty in such a way as to cover all coal-tar derivatives used in dyeing. This is a point to which the Millowners attached importance."

In order to give effect to the above proposals, Government introduced a Bill in the Legislative Assembly on 18th August 1927, which was passed by both Houses of the Legislature and received the assent of the Governor-General on 22nd September 1927.

Under the Act, the following mill stores and chemicals were made duty-free from 1st August 1927 :—

Sago flour ; tallow ; china-clay ; bleaching paste and bleaching powder ; magnesium chloride ; dyes derived from coal-tar and coal-tar derivatives used in any dyeing process.

Machinery and component parts of machinery as defined in items 51, 51A and 51B of the present Tariff Schedule with the following additions to item 51B :—

Bobbins and pirns ;
Picking bands ;
Picking sticks ;
Roller cloth ;
Clearer cloth ;
Sizing flannel and
Roller skins.

Cotton ropes (not including cotton banding) ; starch and farina.

The Act also reduced the import duty on artificial silk yarn from 15 per cent. *ad valorem* to 7½ per cent. *ad valorem.*

Some time after the passing of this Act, letters were received from different firms urging that certain other stores also used largely by cotton mills should be exempted from import duty. The Committee, however, did not deem it advisable to make representations piecemeal to Government soon after the passing of the Act, which exempted from duty practically all the important mill stores. The Committee will consider early in 1928 the advisability of making a representation to Government in respect of such other articles of stores as in their opinion ought to be exempted from import duty and they will then give due consideration to the letters received from different firms referred to above.—(*Appendix* **39.**)

Napthol AS.

About the middle of June, Messrs. Havero Trading Co., Ltd., drew the Committee's attention to the fact that the Collectors of Customs, Madras and Calcutta, had decided to classify the series of dyes known as " Napthol AS " as " Chemicals " and not—as had been the practice for many years past with the Collector of Bombay—as " Aniline dye dry " —with the result that this important group of dyes came to be assessed at a much higher value. Moreover, Napthols AS were not included in the list of " Chemicals " which Government wanted to exempt from duty as per their Resolution No. 341-T., dated 7th June 1927. Apparently, therefore, not only were Napthol AS to be not exempted from duty but they were to be subject to a higher duty. The Havero Trading Co., therefore, suggested that the Association should place the following two alternative suggestions before Government :—

(*a*) Either to get napthols declared as a " chemical " important to the mill industry to be put on the duty-free list, the same as magnesium chloride or bleaching powder, or

(*b*) to get napthols and their respective salts and bases re-classified as " Aniline dyes," whereby the duty might be automatically remitted.

The Committee found considerable force in the contentions of the Havero Trading Co. and took up the matter with the Central Board of Revenue who, however, adhered to the new ruling. The result of further discussion and correspondence was that in their second resolution dated 15th August 1927, Government stated that the definition of the dyes to be exempted from duty would be worded in such a way as to cover all coal-tar derivatives used in dyeing and accordingly the list of stores made duty-free by Act No. *XXIV* of 1927 included " Dyes derived from coal-tar and coal-tar derivatives " used in any dyeing process.—(*Appendix* **40.**)

Bobbins and Pirns.

In June 1927, it was brought to the notice of the Committee that bobbins and pirns were being assessed at 15 per cent. *ad valorem* instead of at 2½ per cent. The Association took up the matter with the Collector of Customs, who in his reply stated that, as the law stood at the time, bobbins and pirns were assessable at 15 per cent. and they were till then assessed at 2½ per cent. owing to a misunderstanding. The Collector agreed that the position was anomalous inasmuch as if the new ruling were adhered to, bobbins and pirns would not come within the scope of the legislation contemplated by Government to exempt mill stores from import duty. The matter formed the subject of prolonged correspondence with the authorities, with the result that on the 16th July 1927 the Government of India issued a notification under which bobbins and pirns became assessable at 2½ per cent. Eventually these articles along with other mill stores became " duty-free " under Act No. *XXIV* of 1927. The Committee subsequently urged Government to grant the requisite refunds on those shipments which had arrived during the short period the duty stood at 15 per cent. The Government of India, however, declined to grant refunds, and leading importers of bobbins and pirns in Bombay have, it is understood, made a joint representation to Government urging that in fairness and equity, Government should issue orders for the payment to them of the requisite refunds.—(*Appendix* **41.**)

TARIFF VALUATIONS OF MILL-STORES.

Necessity of Government Consulting the Association.

Towards the end of 1926, the Committee of the Association had some correspondence with the Government of India, Commerce Department, regarding certain chemicals and mill-stores whose Tariff valuations were much higher than the invoice value of the goods with the result that mills were actually paying 17½ per cent. to 20 per cent. duty instead of 15 per cent. In the course of this correspondence, the Committee suggested that they should be consulted every year before these Tariff valuations were fixed, and it was not enough that only the Bombay Chamber of Commerce and the Indian Merchants' Chamber should be consulted by the Director-General of Commercial Intelligence as had been the case hitherto. The Government of India expressed their inability to comply with the Association's request on grounds which were far from convincing and further correspondence ensued. Subsequently the import duty on practically all the important chemicals and stores used by cotton mills was abolished, and Government

expressed the view that the interest of the Association in the Tariff valuations had correspondingly diminished and they stated they hoped that the Association would not press the matter further. The Committee of the Association agreed with this view but made it clear to Government that if for any reasons in future they deem it necessary in the interests of the cotton textile industry that they should be consulted in regard to Tariff valuations, they would re-open the question. As a result of the correspondence the Director-General of Commercial Intelligence will meet the Committee of the Association at least once every year for a general discussion of matters relating to the cotton industry of the country.—(*Appendix* **42.**)

TARIFF VALUATIONS UNDER THE INDIAN TARIFF ACT.

For purposes of record the Indian Customs Tariff, Schedules II and III, appended to the Indian Tariff Act, VIII of 1894 (as in operation on 1st January 1928) showing the rates of customs duties levied on goods imported into and exported from British India, together with tariff values assigned to certain articles for the purpose of assessment of customs duties during the 12 months January to December 1928 are reproduced in full in the appendix.—(*Appendix* **43.**)

DEDUCTIONS FROM WAGES OR PAYMENTS IN RESPECT OF FINES.

(*See pages 77 and 348 of Report for 1926.*)

In the Association's Report for 1926 a reference was made to a circular letter addressed by the Government of India to Provincial Governments on the above subject.

The Government of India, in the course of their letter, stated that they had not sufficient information at their disposal regarding the degree to which the system of imposing fines was prevalent in India, the forms which it took, or the extent, if any, to which it was in practice abused, to enable them to form any definite conclusions. Suggestions had been made in the Central Legislature, in the Press and elsewhere that the system of inflicting fines upon workmen was common in Indian industrial establishments, and that it constituted an evil of such proportion that steps should be taken either to abolish the system altogether or to reduce it to such dimensions as to prevent abuse. The Local Governments were therefore desired to furnish the Central Government with such information as they could collect on the subject, after consultation with the interests concerned, and to favour them with their views on the desirability of taking any action, legislative or otherwise, to counteract any abuse which might be found to prevail.

The Government of India, in their letter, also referred to the English Truck Act of 1896, the findings of the Truck Committee of 1906-08, and the legislative enactments in force in other countries in Europe and discussed the conflicting views held on the subject in England.

It will be remembered that the Director of Information and Labour Intelligence, Bombay, forwarded to the Association a copy of the Government of India's letter referred to above and stated that he was collecting detailed information regarding the conditions prevailing in the Bombay Presidency and requested the Association to defer expression of its views on the subject until the detailed information he was collecting was available.

About the middle of April, the Director of Information and Labour Intelligence completed his inquiry and forwarded to the Association a summary of the results. In his covering letter, the Director gave an account of the nature and scope of the inquiry instituted by him, from which it was clear that the inquiry was very comprehensive embracing the leading factories, railway organizations, Government establishments, public utility companies, steamship companies, municipalities, etc., throughout the Presidency, and requested that in the light of the information collected by him, he might be furnished with the Association's views on the Government of India's letter referred to above, particularly upon the following points :—

(*a*) Whether the system of inflicting fines on industrial workers was so prevalent as to constitute an evil of such proportions as to require penal legislation to deal with it ; and

(*b*) If the reply to (*a*) be in the affirmative, (i) in what respects and under what heads should legislation be instituted and (ii) what should be the scope of the legislation and the authority to enforce it.

(*c*) If the reply to (*a*) was in the negative, what other action, if any, was desirable.

The most important points contained in the summary of the inquiry made by the Labour Office were :—

(1) 45 Bombay mills furnished detailed statistics to the Labour Office and the proportion of total fines to the total wages bill for these 45 mills worked out at ·313 per cent.

(2) Several mills did not furnish detailed statistics, but grouping the figures furnished by them, the Labour Office had come to the conclusion that in the case of 66 mills in Bombay, the total fines inflicted amounted to only ·25 per cent. of the wages bill.

(3) For 16 mills in Sholapur and other centres, the total amount inflicted in fines was ·43 per cent. of the wages bill.

(4) If the above figures were combined for all the textile mills in the Bombay Presidency, it was found that in 102 mills with a total wages bill of Rs. 6,25,30,800 the total amount of fines inflicted was Rs. 2,42,463, or ·39 per cent. of the wages bill.

(5) In the case of factories other than textile mills, the total amount of fines inflicted was ·39 per cent. of the wages bill.

According to the Director of Labour, 90 per cent. of the total fines in cotton mills was on account of " bad or negligent work " and fines of this nature were generally *bona fide* fines inflicted as correctives and not with a view to recompense the employer for damage sustained. The Director further pointed out that in the textile industry the usual rule was to hand

over spoilt or damaged cloth to the workers concerned and recover the cost—generally at the selling price of the damaged materials—from the workers' wages. The real extent of the worker's financial loss thus depended upon the price he obtained for the article and on that point no information was available.

The Government of India's letter, and the result of the investigations carried on by the Labour Office were considered by the Technical Advisory Sub-Committee of the Association who, taking all the conclusions arrived at by the Labour Office into consideration, maintained that there was no justification for framing any special legislation.

The Sub-Committee went on to say that under the English Truck Act before an employer could inflict fines, he had to affix a notice specifying the acts or omissions in respect of which the fine might be imposed. It was stated by the Director of Labour that all textile mills in Bombay City had printed rules and regulations governing conditions of employment, dismissal with or without forfeiture of wages, fines, etc. Thus the main condition required by the Truck Act was already observed so far as the textile industry was concerned.

The report of the Technical Sub-Committee met with the approval of the General Committee, and a reply on the lines of the report was sent to the Director of Labour. After mentioning the main points brought out in the summary of the investigations made by the Director of Labour, the Committee emphasized the fact that the result of the inquiry was not such as to justify the introduction of legislation on the lines prevailing in Western countries. It was further pointed out that in the textile industry the usual rule was to hand over spoilt or damaged cloth to the weavers concerned and recover the cost from the workers' wages. The weavers preferred this system to being fined, as, in practically all cases, they were able to sell the cloth, and it was thought any new-fangled legislation making it impossible for the employer to hand over spoilt or damaged cloth to the weaver concerned would not certainly improve the position of the workers as the fines that might be imposed instead might operate more heavily on them than the system of selling them spoilt or damaged cloth which they subsequently sold to others.

As regards the system of deducting two days' wages for one day's absence, the Committee stated that so far as they were aware no such rule was in force in the mills situated in the City and Island of Bombay, and offered to make the necessary inquiries into the matter if they could be furnished with the names of the members of the Association in whose mills this rule was observed.

The Committee were of the opinion that those who favoured the introduction in this country of legislation of the type of the English Truck Act based their opinion only on an academic study of that Act and had not considered the actual working thereof in England. The Committee invited the attention of such persons to an important case, Hart *vs.* Riversdale Mill Co., reported in the London *Times* of 7th April 1927. A perusal of

the case would show that the employers deducted from the wages of a weaver a sum of 6*d.* for bad and negligent work, and she contested the action of her employers under the English Truck Act. The Court held that according to the rules which had been in force in the mill for a number of years, the employers were entitled to make the deduction and their action could not be said to constitute an infringement of the Truck Act. On the other hand, a counter-claim of 1*s.* made by the employers to compensate them for the damage sustained was upheld under the Truck Act. This very clearly went to show that legislation on the lines of the English Truck Act would not help the Indian workman, but would only make his position worse.

In conclusion, the Committee emphasized that so far as the cotton textile industry of this country was concerned, the existing system had worked very smoothly without causing discontent among the workpeople, and any disturbance in this system, by legislative enactments on the lines indicated in the Government of India's letter, was sure to cause resentment among the operatives themselves.—(*Appendix* **44.**)

TRADE UNIONS ACT, 1926, AND REGULATIONS THEREUNDER FOR THE BOMBAY PRESIDENCY.

The Bill to provide for the registration of Trade Unions and in certain respects to define the law relating to the registered Trade Unions in British India was passed by the Legislative Assembly on 8th February, 1926, and by the Council of State on 25th February, 1926, and received the assent of the Governor-General on 25th March, 1926. The Act, as passed by the Legislative Assembly and the Council of State, was reproduced in full in the Association's Report for 1926, page 372, and came into force on 1st June, 1927. The Regulations under the Act, as finally adopted for the Bombay Presidency, are reproduced in full in the appendix.—(*Appendix* **45.**)

PROPOSED AMENDMENTS TO THE INCOME-TAX ACT, 1922.

First Amendment Bill.

Assessment in case of partition of a Hindu undivided family or change in ownership of business, profession or vocation--Assessment of profits on export trade—Conditions requisite for registration of a firm by income-tax officers.

On 27th January, 1927, the Hon. Sir Basil Blackett, Finance Member, moved in the Legislative Assembly that the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, be referred to a Select Committee. Sir Victor Sassoon, the Association's representative on the Legislative Assembly, moved that the Bill be circulated for eliciting public opinion, and his motion was eventually accepted by Sir Basil Blackett and adopted by the Assembly.

In accordance with the above Resolution the Government of Bombay forwarded to the Association a copy of the Bill together with a copy of the debate in the Assembly thereon and requested an expression of opinion regarding the different provisions of the Bill.

The Committee of the Association referred the Bill to a special Sub-Committee, and in view of the very complicated nature of the Bill it was decided to invite specially Mr. Leslie Blunt, Solicitor, and Mr. F. E. Dinshaw, Solicitor, to assist the Sub-Committee in their deliberations. The thanks of the Association are due to these two distinguished solicitors for their valuable assistance to the Sub-Committee in framing their report. The Sub-Committee's report was duly approved by the General Committee, and a reply on the lines of their report was sent to Government.

The clauses which in the Committee's opinion were objectionable and called for adverse criticism were clauses 2 (*b*), 4 (2), 5 and 7.

Clause 2 (*b*).—This clause laid down that in sub-section 2 of Section 10 of the Indian Income-tax Act, the following proviso should be inserted :—

> " Provided that nothing in clause (*viii*) or clause (*ix*) shall be deemed to authorise the allowance of any sum paid on account of any cess, rate or tax levied on the profits or gains of any business or assessed at a proportion of or otherwise on the basis of any such profits or gains."

In the Statement of Objects and Reasons attached to the Bill, Government remarked as follows regarding this clause :—

> " The Calcutta High Court have held that road cess levied on coal mines is an admissible deduction from the assessable profits of the mine. The cess though nominally levied on immovable property is actually calculated with reference to the annual profits of the mines. It is therefore a tax on profits and generally speaking anything that is of the nature of a tax on profits is not allowed as a deduction in assessing income-tax. Moreover, the Central Government have always contended that provincial or local taxes on profits should not take precedence of Central taxes on the same profits and if this principle is sacrificed, serious loss to Central revenues may result. Clause 2 (*b*) of the Bill makes it clear that an assessee is not entitled to deduct in computing income, any sums paid to a local authority in respect of any tax (cess, rate, etc.) assessed on the basis of profits even though it may be nominally imposed on immovable property."

The Committee, after due consideration, were not in favour of this amendment which sought to set aside the judgment of the Calcutta High Court which, in the Committee's opinion, was a fair interpretation of the law. It was held by the Calcutta High Court that road cess levied on coal mines was an admissible deduction from the assessable profits of a mine, and in the Committee's opinion there was no justification for not allowing this and similar deductions from assessable profits, since income-tax is supposed to be levied on net income. After referring in detail to the judgment given by the High Court, and after endorsing that decision, the Committee went on to say that under Section 10 of the Income-tax Act all sums paid on account of land revenue, local rates or municipal taxes in respect of such part of the

premises as was used for purposes of the business have to be deducted. A cess, the Committee contended, is not a tax on profits at all in the sense that the income-tax is. If the cess were calculated on some different basis, then a deduction would be allowed ; but simply because it was found that the most convenient and equitable method of arriving at the right cess was to calculate it on the income, no deductions should be allowed, did not seem to be fair or reasonable. The inequity of the proposed amendment was demonstrated by the following examples :—

If a company paid water tax for the water for its factory and such water tax was charged at the rate of a fixed percentage on its profits, this water tax would have to be treated as a tax on the profits, and, under the proposed amendment, would not be allowed as a deduction. Similarly if a company paid its managing director by a percentage on its profits, this might possibly, if clause 2 (*b*) became law, be treated as disallowed as a charge when computing assessable profits.

For these reasons the Committee recommended that clause 2 (*b*) should be deleted from the amending Bill.

Clause 4 (2).—Clause 4 of the Bill laid down the procedure to be followed in assessment in the year following the one in which partition was effected in a Hindu undivided family. The clause *inter alia* laid down that when any such separation occurred notice of the separation should be given to the Income-tax Officer within 15 days thereof, and if such notice was not given the Income-tax Officer might direct that to the amount of tax recoverable in respect of any assessment, there should be added by way of penalty such sum not exceeding that amount. In the Committee's opinion this penalty was an exceptionally heavy one and the time limit of 15 days for giving notice of separation much too short. The Committee held that it would be more equitable if assessees were allowed to make the necessary declarations when submitting the next income-tax return.

Clause 5.—As regards clause 5, Government pointed out that there had been conflicting rulings by the Bombay and Allahabad High Courts as to how the assessment should be made in the year after there had been a change in the "constitution" of an assessee, where, for example, a firm had become a company. While the Allahabad High Court held that where a firm had become a company the assessment should be made as though the firm was still in existence at the time of assessment, the Bombay High Court held that the assessment should be made as though the company had been in existence when the profits to the tax were earned. Government decided to follow the Allahabad High Court ruling and framed clause 5 accordingly to take the place of Section 26 of the Act.

The Committee pointed out in their reply that Government were in error in thinking that there had been conflicting rulings between the two High Courts, and had wrongly quoted the decisions of both High Courts.

The decision of the Allahabad High Court, the Committee pointed out, resulted solely from the fact that the financial year of the assessee firm differed from the Government financial year, in consequence whereof, and

by reason of the conversion of the firm into a limited company with a financial year corresponding to the Government financial year, certain profits of the firm would have escaped taxation at the firm's rate. The Allahabad High Court held that such profits of the firm as so escaped taxation were liable to taxation as the profits of the firm, though the tax was payable by the company.

This point did not arise in the case before the Bombay High Court, where the financial year of the assessee company corresponded with the Government financial year, and Sir Norman Macleod, Chief Justice, in his judgment stated that the Allahabad case had not any relevance to the facts of the case then before the Court, and must be considered in the light of its own very peculiar facts, and added that if the accounting period of the assessee firm in the Allahabad case had coincided with the Government financial year the Court doubted whether any such question as arose in the Allahabad case would have arisen, for there would have been no double taxation of the same income.

Even assuming but without admitting that the decisions of the two High Courts could be said to conflict, the Committee of the Association failed to appreciate the reason for Government accepting the Allahabad decision in preference to that of Bombay unless it was that the former decision was the more favourable to Government.

In any event, the Committee understood that the Government had preferred an appeal to the Privy Council against the decision of the Bombay High Court, and submitted that any amendment of Section 26 was premature while that appeal was pending.

The Committee further submitted that Section 26 being entirely free from ambiguity and capable of easy construction no amendment thereof was necessary except for the purpose of departing from the original intention of the framers of the Act as evidenced by Section 26 with a view to increase the revenues of Government, a departure which, the Committee maintained, was entirely unwarranted.

Clause 7.—It was stated in the Statement of Objects and Reasons attached to the amending Bill that clause 7 of the Bill made the law more definite in regard to assessment of the profits of (1) export trade conducted by (*a*) residents and (*b*) agencies or branches in British India of non-residents and (2) import trade conducted by agencies or branches in British India of non-residents. It was further stated that Section 42 of the Act which dealt with the assessment of non-residents was vague and that conflicting decisions on this subject had been pronounced by the High Courts of Madras and Calcutta.

The Committee of the Association understood that the Madras High Court held that non-residents could not be assessed for income-tax except on profits received in British India, while the Calcutta High Court maintained that profits of non-residents could be assessed for income-tax even though not received in British India if the other provisions of Section 42 were fulfilled.

The Committee accepted the statement that these were conflicting decisions as to the liability under Section 42 (1) of the Act for income-tax on profits of non-residents, and were entirely in accord with Government in its desire to place beyond doubt what profits of non-residents were liable to assessment for income-tax purposes, but the Committee viewed with dismay the proposed attempt of Government to tax on hypothetical or imaginary profit of a resident export trader, a source of taxation to which no Government in the world had hitherto resorted or attempted to resort and the Committee recorded a very strong protest against any such attempt.

A single instance only was necessary to substantiate the extraordinary unfairness of any such procedure. Suppose a resident merchant purchased goods in India for Rs. 5,000 for shipment to Europe for sale there. At date of shipment the market value of the goods was Rs. 5,500. On arrival at port of destination three weeks later, the goods realized Rs. 4,500. The merchant in India would be taxed on a notional profit of Rs. 500 whereas in fact he would incur a loss on the transaction of that amount.

The Committee stated that it was an accepted principle of the English Courts that the liability of a trader to income-tax on profits earned from his trading arose where the profits came home to him. An owner of goods could not earn a profit on them until he sold them, and the profit he earned was earned in the country where the goods were sold, and not in the country in which they were purchased or from which they were exported.

The Committee submitted that there was ample machinery in the earlier part of the Act for taxing the profits of a resident accruing or arising or received in British India which were the only profits of a resident which could legitimately be made the subject of income-tax taxation, and that amendment of Section 42 (1) of the Act should be confined to clarifying the position as regards the liability to tax of the profits of a non-resident.

The Committee suggested that for sub-section (1) of Section 42 of the Act the following sub-section should be substituted :—

> 42 (1). "All profits or gains accruing or arising to any person residing out of British India, whether directly or indirectly from any trade carried on or transacted in British India by any agency or branch in British India on his behalf shall be chargeable to income-tax under the head 'business' and shall be charged in the name of the agent of such person and such agent shall be deemed to be for all purposes of this Act, the assessee in respect of such income-tax :
>
> Provided that any arrears of tax may be recovered also in accordance with the provisions of this Act from any assets of a non-resident person which are or may at any time come within British India."

It would be seen that the clause suggested by the Committee differed materially from clause 7 (1) of the Bill as drafted, and the reasons of the Committee of the Association for these differences were as follows :—

In the first place the Committee were of the opinion that the amending section should, as in the case of Section 42 (1) of the Act which it was sought to amend, be confined to non-residents.

The reference to profits or gains from property was deleted as such profits and gains were assessable under Section 9 of the Act, and any reference to profits or gains from property in Section 42 (1) was therefore superfluous.

The Committee preferred the word " trade " which signified the complete transaction of buying and selling to the word " business " which was vague and indefinite. The word " trade " was also used in the English Income-tax Acts.

The words " notwithstanding that they are not received in British ndia be deemed within the purposes of sub-section (1) of Section 4, to be income accruing or arising within British India " had been deleted.

The Committee were of the opinion that what profits were taxable had been clearly defined in the earlier part of the Act.

Sub-clauses 1 (*a*) and 1 (*b*) of clause 7 should be deleted and sub-clause 1 (*c*) should, in the opinion of the Committee of the Association, be amended. It was open to objection for the reasons that the non-resident would be liable to tax both in this country and in the country where he resided and he would in reality be paying two taxes. Double assessment of this kind, in the opinion of the Committee, should if possible be avoided. If the object of clause 7 (1*c*) was to prevent the mischief of profits disappearing through fictitious commission, this could be accomplished by omitting the words "the whole profits or gains arising from British India and," and substituting therefore the words " and in calculating such profits or gains."

Clause 7 (1*c*) would then read—

> " Where any profits or gains have accrued or arisen to any person directly or indirectly from the sale in British India by him or by any agency or branch on his behalf of any merchandise exported to British India by him or any agency or branch on his behalf from any place outside British India in calculating such profits or gains, no allowance shall be made under clause (*ix*) of sub-section 2 of Section 10 in respect of any buying or other commission whatsoever not actually paid, or of any other amounts not actually spent, for the purpose of earning such profits or gains."

In the September session of the Legislative Assembly, on the motion of the Finance Member, the Hon. Sir Basil Blackett, this Bill was referred to a Select Committee.—(*Appendix* **46.**)

INDIAN INCOME-TAX ACT—SECOND AMENDMENT BILL.

Power to assess individual members of certain Firms, Associations and Companies. Procedure in registration of firms by income-tax officers.

On 14th September 1927 the Hon. Sir Basil Blackett moved in the Legislative Assembly that a Bill further to amend the Indian Income-tax Act, 1922, for certain purposes be circulated for the purpose of eliciting opinions thereon. About the end of September, the Government of Bombay forwarded a copy of the Bill to the Association for their opinion.

The Statement of Objects and Reasons attached to the Bill was as follows :—

> "The Government have been considering for some time, in consultation with the commercial community and the officers of the Income-tax Department, the best methods of rendering illegal certain practices, now legal, which are adopted by persons desirous of evading the payment of income-tax and super-tax, and this Bill proposes to give the taxing authorities the necessary powers to check such evasion.
>
> 2. Broadly speaking, the proposals in the Bill are—
>
> (1) to define a "firm," "partner" and "partnership" in the same sense as in the Indian Contract Act, 1872;
>
> (2) to give discretion to the Income-tax Officer to treat as separate assessees the individuals comprising any association carrying on business, of which only one member is competent to bind the association by his acts;
>
> (3) to give the Income-tax Officer discretion to treat the members of a company as separate assessees if the company restricts the right to transfer shares or limits the number of shareholders, exclusive of employees, to 50, or does not invite, or permit subscription to its shares or debentures by the public; and is under the control of not more than five members;
>
> (4) to permit the production by public servants before a Court of all documents or information relating to the registration of firms;
>
> (5) to impose penalties for failure actually to distribute shares of the profits of a firm in accordance with the provisions of the deed of partnership registered under the Income-tax Act; and
>
> (6) to give discretion to the Income-tax Officer to treat a registered firm as an unregistered firm if it fails to make a return of its income or to produce accounts or other documents called for by the Income-tax Officer.
>
> 3. The powers under (2) and (3) in paragraph 2 above will be exercised by the Income-tax Officer, with the previous approval of the Assistant Commissioner, and an appeal will lie against the orders of

the Income-tax Officer to the Commissioner of Income-tax. Against the appellate order of the Commissioner, it is proposed to allow a reference to the High Court both on questions of fact and on questions of law instead of on questions of law only as in all other matters arising under the Income-tax Act."

The Committee were in entire sympathy with Government in their desire to deal adequately with bogus firms and private companies formed for the sole object of avoiding payment of income and super tax, but it was noticed that the proposals incorporated in the amending Bill were substantially the same as those suggested in 1923 and 1924 and which were adversely criticized by almost every section of the commercial community on the grounds that the proposals made, if enforced, would greatly harass genuine firms and companies; but would be most unlikely to achieve the object for which the legislation had been framed. The Committee, therefore, expressed the opinion that the proposed legislation should not be proceeded with, or that at the very best, if proceeded with, should be modified in such a manner as to ensure that genuine firms and private companies would be safeguarded against undue harassment and interference by the Income-tax authorities.

The Committee next pointed out that legislation had already been adopted in England of a character similar to that which it was now proposed to enact in India, but with very much greater justification, for the reason that the company super-tax no longer existed in England. It was removed chiefly for the reason that the British Government realized that it acted as a great handicap to investment in industrial enterprises, and because the inequitable nature of the tax was driving vast quantities of capital abroad. In many cases company super-tax had to be paid twice and in some cases three times on the same profits as was pointed out in a representation made to the Government of India by the Burma Indian Chamber of Commerce on 2nd July 1926.

The Committee next referred to the unfair penalisation of industrial investments as compared with investments in Government loans. Public and private companies had to pay 1½ annas income-tax and 1 anna company super-tax on any profits in excess of Rs. 50,000. These two taxes were deducted at source but the individual shareholder, no matter how small his annual income, was not entitled to any refund in respect of the super-tax paid by the company. A comparison of this procedure with that adopted in regard to investments in Government securities which paid no company super-tax, went to prove what a handicap the company super-tax was to investment in industrial securities and how unfairly it penalized the small investor, who, in reality, was paying a very large proportion of the company super-tax. When, however, a comparison with investments in the form of fixed deposits in banks was made, the injustice of the company super-tax became even more apparent, for, unless the assessee went out of his way to inform the Income-tax authorities that he would receive a certain amount of interest from fixed deposits in banks, the interest received on his investment would be charged to neither income nor super tax. It appeared to the Committee to be most unfair that fixed deposits in banks should retain the

privileges in regard to income and super tax which they now enjoyed to the detriment of investments in public companies, and the Committee agreed to give their support to any reasonable legislation which the Government of India might consider necessary to enable interest on fixed deposits to be taxed at source, provided that interest on current account was not taxed

The revenue which Government would receive by taxing the income from interest especially of foreign depositors to whom income accrued in British India and who hitherto practically escaped assessment, would probably go a very long way to make up for the loss in revenue which the Government of India would suffer by the abolition of the company super-tax, which, in the opinion of every section of the commercial community, acted as a handicap to industrial development, penalised the small investor, encouraged companies to attempt to evade taxation by means, which though devious, strictly complied with the provisions of the law, was most inequitable in its incidence—the same profit being in many cases taxed twice and even thrice—and depreciated the value of investment in industrial securities as compared with investments in fixed deposits and Government securities.

As regards the detailed provisions of the Bill, the Committee had the following comments, criticisms and suggestions to make :—

Clause 3 :—Section 23 (4) of the Income-tax Act is as follows :—

> " If the principal officer of any company or any other person fails to make a return under sub-section (1) or sub-section (2) of Section 22, as the case may be, or fails to comply with all the terms of a notice issued under sub-section (4) of the same section or, having made a return, fails to comply with all the terms of a notice issued under sub-section (2) of this section, the Income-tax Officer shall make the assessment to the best of his judgment."

Under clause 3 of the amending Bill it was proposed after the word ' judgment ' to add the words—

> " and in the case of a registered firm, may cancel the registration and assess it as if it were unregistered."

In the opinion of the Committee, the proposed addition to Section 23, sub-section (4) would give the Income-tax authorities powers out of all proportion to the nature of the alleged offence. The powers given to Income-tax Officers under this section of the Act were already very wide.

Clause 4 :—Under this clause it was proposed to give discretion to the Income-tax Officer—

(1) to treat as separate assessees the individual comprising any association carrying on business, of which only one member is competent to bind the association by his acts ;

(2) to treat the members of a company as separate assessees if the company restricts the right to transfer shares or limited the number of shareholders, exclusive of employees, to 50, or does not invite, or permit subscription to its shares or debentures by the public ; and is under the control of not more than five members.

The Committee, in agreement with the Bengal Chamber of Commerce and for reasons stated below, were most apprehensive of the possible effect on the legitimate operations of *bona fide* business firms and companies of the legislation proposed by this clause and considered that it was imperative that a preamble should be introduced in the new Section 23A which clause 4 of the Bill proposed to add to the Indian Income-tax Act 1922, making it indisputably clear that the application of the section would be restricted to cases where an attempt had been made to evade taxation, and that the decision as to whether such an attempt had been made would lie with the Commissioner subject to assessee's right to have the matter referred to the High Court.

The first portion of clause 4 relating to firms, as far as the Committee were in a position to judge, would not then be very objectionable.

The second portion of clause 4 relating to companies, however, fell in an entirely different category.

In effect it allowed any private company to be labelled as bogus at the whim of the Income-tax Officer. The following quotation from a judgment by Lord Younger in 1921 showed the inequitable nature of such a power :—

> "I do deprecate in connection with what are called one-man companies the too indiscriminate use of such words as *simulacrum,* sham or cloak, or indeed any other term of polite invective. Not only do these companies exist under the sanction, even with the encouragement of the legislature, but I have no reason whatever to doubt that the great majority of them are as *bona fide* and genuine as in a business sense they are a convenient and suitable media for the provision and application of capital to industry."

It might be argued by the Government of India that it was not intended to harass genuine companies, but the Committee maintained that despite this intention at the time of the enactment of the Act there was the totally unjustifiable possibility, nay probability, that individual Income-tax officers would abuse their privileges to the detriment of genuine companies, in their anxiety to collect the fullest amount of tax possible under the Act, and that at a time of financial stringency it was more than likely that the original intention of the framers of the Act would be conveniently set aside or forgotten.

Another serious objection which the Committee had against this legislation was that it would tend to prevent the flotation and development of private companies The proposed legislation sought to increase the amount

of tax recoverable from private companies by compelling a distribution of profits and this struck at the root of the only real reason for their existence, namely, the desire to avoid risk and bankruptcy and to accumulate capital for the purpose of further industrial development. At a time when Government was supposed to be doing all in its power to attract capital for investment in industries, such an attitude was inexplicable and contrary to the best interests of India whose vast potentialities for industrial development of all kinds had scarcely been touched.

The Committee stated that they would welcome legislation in regard to private companies to prevent loans being made without or at nominal rates of interest to shareholders, with the object of evading income and super tax, and considered that if this evil was overcome, Government would have little or nothing to complain of as far as private companies were concerned.

If, however, it was the intention of Government to persist in their attempt to press through clause 4 (2) of this Bill in spite of the opposition of the preponderating majority of the commercial community and without at the same time remitting the company super-tax, the abolition of which, it should be noted, preceded somewhat similar legislation in England, the Committee wished to impress upon Government the absolute necessity of qualifying the power given to Income-tax officers and of protecting private companies to some extent, at least, from unwarranted interference by over-zealous or unscrupulous Income-tax officials, and suggested the insertion of adequate safeguards which would prevent the Income-tax Officer from computing individual assessments on an unreasonable basis. In this connection the Committee suggested that the final paragraph of clause 4 (2) of the Bill be amended as follows :—

> "And the Income-tax Officer is satisfied that the company is under the effective control of not more than five members, he may, with the previous approval of the Assistant Commissioner being satisfied that the profits distributed are unreasonably small *after hearing the assessee and after taking into consideration the reasons for the allowances made for depreciation, reserves against bad debts, extensions, shrinkage of assets, general reserves and special allowances made owing to special circumstances*, pass an order, *his reasons for which he shall state in writing and furnish a copy thereof to the company*, that no assessment on the company as such shall be made, and may thereupon include in the total income of each individual member thereof for the purpose of his assessment, his share in the profits and gains of the company."

Clause 5 :—Under clause 5 of the amending Bill, it was proposed to include in Section 28 of the Act a further penalty clause dealing specially with registered firms. In the Committee's opinion, this amendment was not necessary for the reason that Section 23 (4) already provided the Income-tax Officer with sufficiently wide powers.

Clause 10 :—Clause 10 made it permissible for public servants to produce before a court documents relating to the registration of firms, but the

Committee pointed out that in many deeds of partnership there were provisions and arrangements which would be entirely unconnected with any case regarding the correctness of an income-tax assessment, the disclosure of which would be detrimental to the interests of the firm, and were therefore of the opinion that a special provision should be made to prevent the disclosure of any of the provisions of a deed of partnership which had no relevance to a particular case.

Clause 11 (2).—This clause permitted a reference to the High Court against the apellate order of the Commissioner both on questions of fact and on questions of law instead of on questions of law only as in all other matters arising under the Income-tax Act. The Committee approved of this amendment but considered that the scope of the amending section should be extended so as to include all questions of fact arising out of any provisions of the amending Bill and that the assessee as well as the Commissioner should be entitled to submit a statement of the case to the High Court.

In conclusion, the Committee apologised for the length of the letter and the unavoidable delay which had occurred in its submission, which were due to the complexity and importance of the subject and a desire to convince the Government of India of the unsatisfactory nature of the proposals put forward by them and the desirability of approaching the question of amending the Indian Income-tax Law from a somewhat broader angle than had been indicated in recent legislation which had apparently been directed towards obtaining greater returns by unfair penalization of industrial enterprise, double taxation and a slavish imitation of certain portions of the English Law unaccompanied by the relief which had been accorded by English Law in the matter of company super-tax.—(*Appendix* **47.**)

AMALGAMATION OF INCOME OF HUSBAND AND WIFE FOR INCOME-TAX PURPOSES.

(*See pages* 121 *and* 504 *of Report for* 1926.)

The recommendation of the Taxation Inquiry Committee in connection with the above subject and the Association's criticism thereon will be found on pages 121-123 of the Report of the Association for 1926. The Association had taken strong exception to the proposal of the Taxation Inquiry Committee as being inequitable and unsuited to the conditions prevailing in this country. In this connection the following *communique* was issued by the Government of India on 23rd February, 1927 :—

> " The Taxation Inquiry Committee, in para 253 of its report, recommended that for the purpose of charging income-tax and super-tax, the income of a husband and wife living together should be aggregated for the purpose of computing the amount of the tax to which they are liable and that the tax on the whole at this rate should be divided between the two in proportion to the amount of their separate incomes.
>
> The Government of India invited all local Governments and Administrations and the Chambers of Commerce and similar bodies to

express their opinions in regard to this suggestion, and also consulted the Commissioners of Income-tax. After considering the replies received, Government have decided that the suggested amendment of the law is unsuited to Indian conditions and they do not propose to pursue the matter."

INCOME-TAX ON PROVIDENT FUND CONTRIBUTIONS.

Towards the end of June, the Svadeshi Mills Company forwarded to the Association copies of the correspondence they had had with the Income-tax Officer, Bombay, and the Central Board of Revenue, on the subject of income-tax on contributions to provident funds. In this correspondence the Svadeshi Mills urged that the contributions to provident funds should be exempted from income-tax on the ground that the provident fund money paid to an employee on his retirement or to his family in the event of his death while under service was not of the nature of salary in any sense nor was it comprised under 'salaries' under Section 7 (1) of the Indian Income Tax Act. It was further urged that provident fund money ought not to be chargeable with income-tax for it was of the nature of insurance money and other capital sums which are exempted from income-tax under Section 4 (3) V of the Act. The Central Board of Revenue, however, turned down the suggestion on the ground that under the provisions of the Indian Income Tax Act the employer's contributions with interest and the interest on the employee's contributions to a provident fund to which the Provident Funds Act did not apply constituted income under the heading 'salaries' and as such were liable to taxation at source. Under the circumstances the Svadeshi Mills requested the Association to consider the desirability of getting the Income Tax Act amended so that private provident funds and those funds to which the Provident Funds Act applied might be placed on the same footing so far as the exemption from taxation of the employer's contribution and the interest on the employer's and employee's contributions were concerned, and it was suggested that the desired amendment in the Income Tax Act could be effected by merely omitting the word 'such' from Section 4 (3) V so that the sub-clause would read:

> "Any capital sum received in commutation of the whole or a portion of a pension, or in the nature of consolidated compensation for death or injuries or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to any Provident Fund."

The Committee on due consideration felt that the amendment suggested by the Svadeshi Mills was not free from objection. There was also the other alternative of making the Provident Funds Act applicable to *all* provident funds. The conclusion reached by the Committee was that a representation should be made to Government on general lines in support of the *principle* that contributions to provident funds should be exempted from income-tax, without putting forward any suggestions as to how the desired object might be brought about.

Accordingly a letter was addressed to the Finance Department of the Government of India in which it was pointed out that the accumulated amount to the credit of an employee in a provident fund could not in equity be treated as 'income,' but it constituted a capital sum which when invested would produce the income. It was, in fact, of the nature of insurance money : when paid to the family of a deceased employee it was of the nature of insurance payable at death, and when paid to an employee on retirement it was of the nature of endowment insurance. The Indian Income Tax Act exempted from income-tax capital sums received in commutation of the whole or a portion of a pension or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to a provident fund to which the Provident Funds Act was applicable, and it was the Committee's considered opinion that Government were not acting in conformity with the spirit of the Act when they charged income-tax on contributions made by employers and employees to provident funds not subject to the Provident Funds Act and on interest on such contributions.

The Committee further pointed out that whatever might be the justification for a distinction between provident funds to which the Provident Funds Act applied and those to which it did not apply, the reasons for such distinction disappeared when the accumulated balance of the provident fund money was actually paid to the employee. The Committee submitted that the employee in the case of a private provident fund should be as much entitled to receive the accumulated balance to his credit free of tax as the employee in the case of provident funds which were subject to the Provident Funds Act.

The Central Board of Revenue in their reply stated that the whole matter was receiving consideration and that they had already issued instructions that where a payment was made to an employee from a private provident fund that constituted a genuine irrevocable trust, no part of such payment should be treated as salary liable to taxation by deduction at the time of payment since the trust was not the payee's employer. The Commissioner of Income Tax, Bombay, who was subsequently approached by the Committee with a request to explain the exact meaning of the instructions issued by the Board of Revenue, explained that the instructions issued by the Board were to the effect that when a private provident fund had been formed into a genuine trust, a payment made therefrom to a retiring employee was not to be taxed *at source* by the trust paying it because it (the trust) was not the employer of the retiring employee. For example, suppose that A. B. & Co. had a provident fund which was formed into an irrevocable trust. If an employee on retirement was paid, say, Rs. 10,000 by this trust, the whole sum would be paid by the trust to the employee without any deduction of tax, because it (the trust) was not to be regarded as his employer. The Income-tax Officer concerned would, however, proceed to tax the employee directly on the sum received by him.—(*Appendix* **48.**)

REQUISITION BY INCOME-TAX OFFICER FOR THE SUPPLY OF PARTICULARS OF INTEREST PAID TO DEPOSITORS.

It was brought to the notice of the Committee that the Income-tax Officer, Bombay, had called upon certain mill companies to furnish him with the names and addresses of the recipients of interest amounting to Rs. 500 and over. In support of his demand he relied on Section 22, sub-section 4 and Section 37 of the Income-tax Acts, 1922. On careful consideration it appeared that the Income-tax Officer had no power under these sections to call upon companies to furnish him with the particulars asked for. He could, however, under Section 37 require companies to produce before him the books of the company or could send an authorised representative to inspect the books. The Committee of the Association therefore held that the request made by the Income-tax Officer should not be complied with, and a circular letter to this effect was addressed to all members early in November. (*Appendix* **49.**)

A BILL FURTHER TO AMEND THE INDIAN COINAGE ACT, 1906, AND THE INDIAN PAPER CURRENCY ACT, 1923, FOR CERTAIN PURPOSES.

The views of the Committee of the Association as to the detrimental effects of the 1*s.* 6*d.* ratio on the people of India generally and the cotton textile industry in particular were set forth at some length in the Association's written and oral evidence before the Currency Commission, the written and oral evidence submitted to the Tariff Board, and in the Association's letter addressed to the Government of India in October 1926 criticising the report of the Royal Commission on Indian Currency and Finance. (*Vide* Association's Report for 1926, pages 116 and 482.)

Early in 1927, the Committee got another opportunity of ventilating their views on the subject in connection with the above Bill which related to the immediate stabilization of the rupee at 1*s.* 6*d.* gold.

The Committee in their letter stated that it was significant that no recognized authority had ever been able to deny that during the so-called period of adjustment the cotton manufacturing industry of this country would be materially handicapped in both the home and foreign markets in competition with other countries.

The extent of the handicap suffered by the Indian textile industry owing to the exchange rate being fixed at 1*s.* 6*d.* in preference to 1*s.* 4*d.* gold was self-evident from the statement given below which shows the allocation of costs in the production of a piece of standard shirting 9 lbs. × 40 yards, made from 20s warp and 20s weft, supplied by one of the most representative group of mills in Bombay.

Allocation of Cost on Standard Shirting (9 *lbs.* × 40 *yds.*) 20*s warp and* 20*s weft, with Cotton at Rs.* 290 *per Candy.*

	Annas.	Percentage.	
Cotton	45.46	37.3	54.8 per cent.—Total items affected by exchange rate.
Waste Spinning.. ..	6.80	5.6	
Waste Weaving.. ..	3.96	3.3	
Insurance, spare parts, etc.	3.01	2.5	
Stores	7.44	6.1	
*On cost..	11.21	9.2	45.2 per cent.—Unaffected by exchange.
Power	5.82	4.8	
Mill Management ..	5.22	4.3	
Wages	30.93	25.4	
Commission	1.91	1.5	
	121.76	100.0	

Disadvantage at 1*s.* 6*d.* = 45.2 per cent. of 12½ per cent. = 5.65 per cent.

It was universally admitted that the foreign importer of piecegoods and yarn could sell his goods in India for 12½ per cent. fewer rupees with the exchange at 1*s.* 6*d.* instead of 1*s.* 4*d.* In other words, the rupee cost of every item making up his cost of production was 12½ per cent. less with exchange at 1*s.* 6*d.* than with exchange at 1*s.* 4*d.*

The Indian manufacturer, on the other hand, would only lower his rupee cost in certain items of the cost of production with a higher exchange and in regard to the remaining items of the cost of production the Indian manufacturer was disadvantaged owing to the fact that his rupee expenditure thereon remained unchanged.

The items in the cost of production on which the Indian manufacturer received an advantage with the higher exchange at to-day's price of cotton constituted 54.8 per cent. of the total, and the items of cost of production remaining the same 45.2 per cent. of the total. His net disadvantage in competition with the foreign manufacturer when selling goods in India was therefore 45 per cent. of 12½ per cent. = 5.65 per cent. if exchange was fixed at 1*s.* 6*d.* instead of 1*s.* 4*d.*

The "period of adjustment" during which this disadvantage would have to be suffered varied in length according to different authorities, but the Committee pointed out that no matter what its length, it would mean that during that period the amounts paid for power, wages, salaries, commission, interest on capital and taxation would all need to be reduced by 12½ per cent. before it would be possible for Indian mills to compete as advantageously with the rupee fixed at 1*s.* 6*d.* as compared with 1*s.* 4*d.* and

*On cost includes the following items of expenditure:—Salaries of head office staff; interest charges; rent, rates and taxes; printing; telephone; motor car expenses; travelling expenses; general charges; law charges; provident fund charges; petty cash and postal charges and muccadamage.

in most of these items reductions, in the opinion of the Committee of the Association, were absolutely outside the bounds of practical possibilities at the present moment.

For the above and similar reasons, the Committee were unable to agree that the question of the rupee ratio was one of minor importance. In their opinion, the gold value of the rupee was a question of vital importance to every agricultural or industrial producer.

The chief, if not the only, reason which was advanced by the majority report of the Currency Commission for advocating the fixation of the rupee at 1*s.* 6*d.* gold in preference to 1*s.* 4*d.* gold was that for 18 months the exchange value of the rupee had been 1*s.* 6*d.* and that the level of prices had more or less become adjusted to that rate, and a reversion to 1*s.* 4*d.* would mean a difficult period of readjustment involving widespread economic disturbance. The Committee did not agree with this contention, implying, as it did, that the purchasing power of the rupee had increased commensurately with the increase in its gold value. If such was the case, it necessarily followed that the index number of the cost of living should have fallen since the rise in the gold value of the rupee from 1*s.* 4*d.* to 1*s.* 6*d.*, provided that no change in the method of constructing the index had occurred in the interim.

No change had been made in the method of calculating the Bombay working class cost of living index during the last few years and it was therefore somewhat surprising to note that whereas the index number for 1924 when exchange was 1*s.* 4*d.* was 157, it was still 155 in 1926 when the exchange was 1*s.* 6*d.* or less than 1.3 per cent. lower in spite of the fact that the gold value of the rupee had increased by 12½ per cent. This went to disprove the contention of the Currency Commission that prices had to a large extent become adjusted to the 1*s.* 6*d.* level, and that reversion to the 1*s.* 4*d.* ratio which existed in 1924 would mean a difficult period of readjustment involving widespread economic disturbance.

It would rather seem that the adjustment of prices to the 1*s.* 6*d.* level had not yet progressed to any appreciable extent and that reversion to 1*s.* 4*d.* would therefore involve no serious economic disturbance in so far as the purchasing capacity of the wage-earner was concerned, but would be of great advantage to all industrial producers the prices of whose goods were regulated by the rupee price of imported products of a similar nature, and would increase the purchasing power of the ryot producing crops for sale in the export markets. (*Appendix* **50.**)

THE BOMBAY STOCK EXCHANGE.

In April the Bombay Stock Exchange, Ltd., applied to the Governor-in-Council for recognition under Section 4, sub-section (1) of the Bombay Securities Contracts Control Act, 1925, and submitted rules for the regulation and control of transactions in securities other than ready delivery contracts for sanction by the Governor-in-Council. These rules were published in the *Bombay Gazette* dated 5th May, 1927, for general information.

About the middle of June Government forwarded a copy of these rules to the Association together with copies of letters received by them from the President of the Native Share and Stock Brokers' Association and the Secretary, Indian Merchants' Chamber, objecting to the establishment of a second Stock Exchange in Bombay, and solicited the Association's views on the subject.

In reply, Government were informed that it was the considered opinion of the Committee of the Association that no case had been made out for the establishment of a second Stock Exchange in this city, and such being their view, they did not propose to examine in detail the draft rules of the Bombay Stock Exchange. The Committee hoped that on careful consideration Government would recognize the advisability of discountenancing the attempt to establish another Stock Exchange in Bombay.

About the middle of October Government informed the Association that it was proposed to hold a conference to discuss this matter and invited the Association to depute a representative to the Conference. The Committee appointed Mr. F. F. Stileman to represent them.—(*Appendix* **51.**)

STAMPED CHEQUE FORMS.

Members are aware that under the Finance Act of 1927 the stamp duty on cheques was abolished as from the 1st of July 1927. The Imperial Bank of India, on their own behalf and also on behalf of other banks, drew the Government of India's attention to the fact that banks were likely to have a large number of stamped cheque forms in their hands at the end of June, and that the ordinary procedure of cancelling the forms and obtaining a refund of stamp duty would entail substantial loss to the banks as the printing of these forms was very expensive. Moreover, the destruction of such a large number of cheque forms, it was stated, would cause considerable inconvenience.

The Government of India therefore addressed a circular letter to all Provincial Governments (a copy of which was forwarded to the Association for information) stating that if the Provincial Government concerned had no objection, instructions might be issued to the effect that on presentation of stamped cheque forms for cancellation under Section 54 of the Indian Stamp Act, the stamps only should be obliterated and the forms returned to the banks so as to avoid the wasting of these forms. The Government of India further stated that as the forms could be used for no other purpose than as cheques, there could be no danger to the revenue from this proposal. —(*Appendix* **52.**)

ENDORSEMENTS ON DEMAND DRAFTS BY BANKS.

The Bombay Chamber of Commerce, in a letter to the Government of India in April 1926, pointed out that, under the English law, banks were protected in respect of forged or unauthorised endorsements, not

only of bills of exchange or cheques as defined in the Bills of Exchange Act, 1882, but also of demand drafts or orders which fell within the wider definition of the Stamp Act, 1853, and which included demand drafts drawn by another branch of the same bank, and, that in British India, as the law stood, banks were protected against forged or unauthorised endorsements of cheques which would include demand drafts drawn upon them by other banks, but were not protected against forged or unauthorised endorsements of drafts drawn upon them by their own branches. The Bombay Chamber accordingly suggested that steps should be taken to amend the Negotiable Instruments Act so as to bring it into line with the law in force in England. The Government of India, however, considered at that time that there was no reason for amending the Indian law until it had been authoritatively interpreted in a way which denied protection and until it was clear that banks were likely to suffer to an appreciable degree therefrom.

The matter had also been brought to the notice of Government by the Associated Chambers of Commerce of India and Ceylon who urged that "it was better to provide against a danger rather than to wait until it had been experienced disastrously." The following resolution which was carried unanimously at the eighth Annual General Meeting of the Associated Chambers held at Cawnpore on the 6th and 7th December, 1926, had accordingly been submitted for the favourable consideration of the Government of India :—

> "That this Association recommends that the Indian law governing endorsements on demand drafts drawn by one branch of a bank upon another branch of the same bank be amended so as to afford the same protection to bankers in India as the law in England affords to bankers in England."

The Government of India requested the Association to express its views on this subject. The Committee of the Association, after careful consideration, approved of the attitude adopted by the Government of India in 1926. It was maintained that no case had been made out for amending the Negotiable Instruments Act on the lines suggested by the Bombay Chamber and endorsed by the Associated Chambers of Commerce. In the Committee's opinion, the existence of the alleged hardship should be proved by the banks themselves before any legislation was embarked upon. —(*Appendix* **53.**)

UNIFORMITY OF BILLS OF LADING.

(*See pages* 66 *and* 444 *of Report for* 1925.)

In the Association's Report for 1925 a reference was made to the Carriage of Goods by Sea Act.

It will be remembered that in the Statement of Objects and Reasons attached to the original Bill it was stated that there had been a demand for many years among the different commercial interests which handled bills of lading for uniformity among all maritime countries in the definition of the liabilities and risks attached to the carriage of goods by sea.

The attempts made during the last twenty years to secure uniformity of bills of lading eventually resulted in the agreement reached at the International Conferences on Maritime Law held in Brussels in 1922 and 1923, when a code of rules defining the responsibilities and liabilities to which a carrier of goods by sea should be subject, and also the rights and immunities he was entitled to enjoy, was drawn up, and it was unanimously recommended that every country should give legal sanction to these rules. In pursuance of this agreement the United Kingdom enacted the Carriage of Goods by Sea Act (14 and 15 Geo. 1925) and the Government of India followed suit by placing on the statute-book the Act referred to above.

There cannot be two opinions regarding the great advantages and utility of this Act, but it is regrettable that some of the great shipping companies operating in this country still continue to use the form of bill of lading which was in use before the passing of the Act with a "clause paramount" stamped across the bill to the effect that it was subject to the Indian Carriage of Goods by Sea Act.

The Federation of the Indian Chambers of Commerce forwarded to the Association certain circulars on this subject, and the Committee decided to take up this matter with Government.

In a letter to the Government of Bombay, the Committee stated that the practice of using the same form of bill of lading as used before the Act with a "clause paramount" stamped across the bill was most undesirable inasmuch as it was implied that shippers should find out for themselves which of the clauses printed on the bill of lading were contrary to the provisions of the Act, and therefore void. The clauses on the bill of lading as used by the shipping companies before the passing of the Act were very complicated and ambiguous, and the mere stamping of the "clause paramount" made the document more complicated and unintelligible, leading to a good deal of misunderstanding between shipping companies and shippers and unnecessary hardship on the latter. The Committee therefore maintained that Government should take effective steps without delay to enforce a simple and uniform bill of lading in conformity with the intentions and provisions of the Act.

In Bombay, certain big shippers utilized their own form of Homeward Eastern Trade bill of lading and the system was found to work smoothly. These Homeward Trade bills of lading, in the Committee's opinion, might be used as a basis for a simplified bill of lading for use in special conditions existing in the Eastern Trade. The Committee hoped the Government of Bombay would recognize the importance of this matter and impress on the Government of India the advisability of taking the necessary steps to enforce the use of a simple and uniform bill of lading by all shipping companies.—(*Appendix* **54.**)

PROPOSED AMENDMENT OF THE INDIAN EVIDENCE ACT.

In November 1926 the Bombay High Court made a representation to the Government of Bombay stating that unnecessary delay was caused in deciding "Commercial Causes" owing to the fact that under the Indian Evidence

Act, documents which were accepted as *prima facie* correct in commercial circles (e.g., Lloyd's Weekly Shipping Index, Certificates of the Manchester Ship Canal as to the dates of receipt of goods, and Certificates of a Chamber of Commerce as to delays in manufactures owing to strikes), could not, in the absence of consent by the parties, be admitted in evidence without formal proof. The result was that a party desirous of delaying the proceedings could insist on the other side getting commissions issued to take evidence as to facts which were for all practical purposes sufficiently established by the document in question.

In England this difficulty had been largely surmounted by legislation, and the Bombay High Court made the following two suggestions to obviate the existing difficulties :—

(1) Section 128 of the Civil Procedure Code empowers Courts to frame rules regarding different matters, and the Bombay High Court recommended an additional clause in this section empowering Courts to frame rules regarding " the regulation of the means by which particular facts may be proved, and the mode in which evidence thereof may be given, in any proceedings or any application in connection with or any stage of any proceedings," or

(2) Amendments in the Evidence Act so as to make commercial documents of the kind referred to admissible in evidence *per se*, it being assumed that the seals, stamps, signature, etc., on such documents are genuine.

The Bombay High Court, however, did not favour the first suggestion on the ground that the framing of rules on such an important matter should not be left to the Courts.

The Government of Bombay approved of the proposals made by the Bombay High Court and forwarded the representation to the Government of India.

The Government of India, in a circular letter to all Provincial Governments, agreed with the Bombay High Court that the framing of rules on such an important matter should not be left to the Courts. They were also not in favour of amending the Evidence Act, but recommended separate legislation on the analogy of the Bankers' Books Evidence Act. Such an Act, the Government of India pointed out, would contain a definition of " commercial documents " and would provide that notwithstanding anything in the Indian Evidence Act—(*i*) the Court should in all legal proceedings presume that a document purporting to be a commercial document, and any seal, stamp or signature thereon was genuine, and that the person (if any) signing it held, at the time he signed it, the character which he claimed, and (*ii*) a statement in a commercial document about a fact in issue or relevant fact should be accepted in all legal proceedings as proof of such fact until the contrary was shown.

Copies of the correspondence referred to above were forwarded to the Association by the Government of Bombay for an expression of the Association's views thereon.

The Committee of the Association, in their reply, stated that they were strongly of the opinion that the law as it stood at present made it possible for defendants to take up an obstructive attitude and cause needless delay. They cordially supported the principle advocated by the Bombay High Court, but stated that they were not in a position to express an opinion on the relative merits of the different suggestions put forward by the Bombay High Court and the Government of India. —(*Appendix* **55.**)

AMENDMENT OF INDIAN LIMITATION ACT.

The Government of Bombay in October forwarded to the Association, for an expression of their opinion on its provisions, a Bill to amend the Indian Limitation Act. The Committee referred the matter to the Association's solicitors for an expression of their opinion, who after careful consideration stated that the alterations suggested in the Bill were not objectionable. After a careful study of the Bill and of the solicitors' opinion thereon the Committee informed Government that they had no criticisms to offer on the Bill.—(*Appendix* **56.**)

RULES OF THE COMMERCIAL COURT.

The attention of the Committee being drawn to certain amendments made in the Rules of the Commercial Court, an inquiry was made of the Association's solicitors as to the nature of these amendments, and whether there was anything in the amended rules to which exception might be taken.

Messrs. Craigie, Blunt & Caroe, the Association's solicitors, stated in reply that the rules had been amended in some small matters of procedure which in their opinion were an improvement on the old procedure and would tend to simplify and expedite the hearing of commercial cases. The most important amendments made were the following :—

1. Commercial summonses instead of being heard by the Chamber Judge are now heard by the Judge taking commercial cases. This follows the practice adopted in England as it is thought advisable that the Judge who will try the case shall also be seized of the preliminary interlocutory proceedings.

2. In lieu of affidavits of documents lists of documents will be exchanged. These lists will not be on oath but the solicitors will be responsible for seeing that all relevant documents have been disclosed and they will be subject to the disciplinary jurisdiction of the Court if they are guilty of wilfully concealing documents.

3. The Judge trying the case is given power to enforce the admission of documents such as log-books, survey certificates, Manchester Ship Canal certificates, etc., etc., without formal proof by making the party who refuses to admit such documents pay the costs thrown away by unnecessary commissions. This does not mean that a party is bound to admit a document regarding the contents of which he has a legitimate ground for cross-examination. It merely means that formal proof of a document need no longer be obtained.—(*Appendix* **57.**)

AMENDMENT OF THE BOMBAY ELECTORAL RULES.

Under Rule 7 of Schedule II of the Bombay Electoral Rules, a person is qualified as an elector for a Commerce and Industry Constituency if his name is entered in the list of members, for the time being in force, of the Association forming such constituency, or if he is entitled to exercise the rights and privileges of membership on behalf of and in the name of any firm or company or corporation entered in such list of members. An individual merchant, or, in the case of a firm, company or corporation, the partner, usually the senior partner, of such firm, company or corporation is accordingly registered in the list of voters of such constituency. The result is that an amendment of the electoral roll becomes necessary each time that such partner is unable to exercise the rights and privileges of membership on behalf of and in the name of such firm, company or corporation. This entails delay and waste of time and money as the procedure prescribed by the Electoral Rules and Regulations has to be observed on each occasion. This is particularly noticeable in the case of firms managed by European partners who have got to go on leave and are, therefore, from time to time, unable to vote or to stand for election in the constituency. The Government of Bombay, after drawing the Association's attention to the above facts, stated that an amendment of Rule 7 of Schedule II of the Bombay Electoral Rules appeared to be necessary, and that the difficulty pointed out above would be obviated if the rule was so amended as to provide that in the case of any firm, company or corporation entered in the list of members of an Association forming a Commerce and Industry Constituency any partner should be qualified as an elector for the constituency, and not the senior or registered partner only.

It had been also suggested to Government that the difficulty mentioned above would be sufficiently met—

(*i*) if the electoral roll gave the names of a fixed number of representatives (say three) of each firm ; or

(*ii*) if the electoral roll gave the names of firms, each firm casting one vote through an agent, the qualification for a candidate being that he should be one of the persons authorised by any firm on the roll to take part in the business of the Association. Rule 6 (2) of the Bombay Electoral Rules so far as it applied to Commerce and Industry Constituencies should then be repealed.

It had further been suggested that the system of voting by post which was followed in connection with the elections for the Council of State might prove to be convenient for the Commerce and Industry Constituencies.

Government requested the Association to express its opinion on the points detailed above.

The Committee of the Association agreed that the present system under which the name of only one representative of each firm in a Commerce and Industry Constituency appeared in the electoral roll, was most unsatisfactory. After detailed consideration of the problem involved, it was considered that the most practical solution would be to amend the rules so as to allow each firm in any Commerce and Industry Constituency to send three names in order of seniority for inclusion in the electoral roll. When an election took place, only one vote would be allowed to each firm and the vote would be recorded by any of the three representatives. Ordinarily the senior representative available would vote on behalf of his firm, but this need not be laid down in the rules, for, it was unlikely that a junior representative would vote in a manner contrary to the wishes of the firm or of its senior representative and even if he did, it would be a matter for settlement by the firm and not by the Returning Officer. The Committee also considered that the Returning Officer of each Commerce or Industry Constituency, on receipt of a certified copy of a resolution of the committee, board, or governing body, should be empowered to add or delete from the roll the names of representatives of new firms joining, or old firms seceding from, the Commerce and Industry Constituency concerned.

The Committee of the Association were also inclined to agree that the system of voting by post should be introduced for Commerce constituencies. In the Bombay Millowners' Constituency up-country members of the Association, under the present rules, were precluded from registering their votes unless the firm had a representative or an office in the City and Island of Bombay.—(*Appendix* **58.**)

PURCHASE OF BENGAL COAL BY INDIAN MILLS.

From certain letters received from the Indian Mining Federation during the year under review, it appeared that the Federation were labouring under serious misgivings as to the attitude of the Bombay millowners towards the indigenous coal industry. The Federation appeared to believe that the Bombay millowners had a preference for South African coal to Indian coal of equally good quality and offered at a lower price. This misunderstanding

on the part of the Federation appears to have arisen from certain misleading reports about a particular transaction by Messrs. Currimbhoy Ebrahim & Sons, which was referred to in the following words by Mr. K. C. Neogy in a speech made in the Legislative Assembly on 6th September, 1927, in the course of the debate on the Yarn Protection Bill :—

> " May I not expect my friends from Bombay, my millowner friends, to have a little more sympathy for another struggling industry of India ? Sir, telegrams were sent to the members of the Select Committee from the Indian Mining Federation referring to an instance in which the Bombay mill industry or a particular firm of Bombay millowners, went in for a large indent of bounty-fed South African coal, in spite of the fact that cheaper coal was available to it. Sir, that message came from an interested party, but here I hold in my hand the comment of a recognized commercial journal conducted by Europeans, I mean the *Commerce*, dated the 3rd September, 1927. This is what it says :—
>
> > " ' During the past fortnight there has been no business of any importance reported except that a series of cargoes of Natal coal amounting to about 50,000 tons in the aggregate have been fixed for delivery up to June 1928, and that Messrs. Currimbhoy Ebrahim and Sons have accepted Natal Northern Navigation coal 1,500 tons per month, the reported price being 27*s.* per ton c.i.f., which means about Rs. 18-3 at the present rate of exchange, and adding landing and delivery charges and import duty it brings the cost delivered to about Rs. 22-9.'
>
> " Now we know.
>
> " This is how the paper proceeds :—
>
> > " '.....they were offered Selected Grade 14 seam Jherria rail-borne at a price which would mean, delivered, weighed and stacked at mills, about Rs. 21-4 per ton. What then is to be said when an Indian industry will pay over Re. 1 per ton more for foreign coal rather than support its own country's coal industry ? And further, it is a well-known fact that rail-borne coal is always in much better condition than is the case with sea-borne. However, there is the fact, and this market has to contemplate at any rate, for the next eight months, the competition of roughly 6,000 tons per month certain, of coal which should by all means have come from India's collieries, instead of from Africa.'
>
> " Are we not entitled to expect fair play even from the Bombay millowners."

Sir Victor Sassoon, the Association's representative in the Legislative Assembly, pointed out that the statements made by Mr. Neogy were not in accordence with facts, and said :—

"Now another of the points that Mr. Neogy emphasized, and which must have appealed to the House as it did appeal to me, was the question of coal as supplied to the mill industry. Now I know the firm of Currimbhoy Ebrahim and Sons very well and have the advantage of a personal acquaintance with the head of the firm, Sir Fazulbhoy Currimbhoy. Those of the members of this House who know Sir Fazulbhoy must have felt, as I felt, that it was inconceivable that he should have bought foreign coal at a dearer price than Indian coal, and so I wired to Sir Fazulbhoy, and I have received his answer, which is to the effect that all that he has done is to buy 1,500 tons monthly from a local coal merchant in Bombay, and he has asked for a selected grade Lodna Bengal coal but that he has put a clause in the agreement that at his option he can take some of the Natal coal already bought for import, if economy necessitates such action."

Further on in his speech, Sir Victor Sassoon made it clear that Sir Fazulbhoy eventually decided not to exercise his option to take Natal coal, although it was more economical. The Committee, in their letter to the Federation, made the whole position quite clear and assured them that other conditions being equal, millowners were always prepared to give preference to Indian coal over foreign coal and very often they were willing to stretch a point in favour of Indian coal. In the Committee's opinion, one of the main handicaps of the coal industry of Bengal was the present high level of railway freights for coal from Bengal to Western India, and they urged the Federation to try their best to get these freight rates reduced. —(*Appendix* **59.**)

RAILWAY FREIGHT RATES ON COAL.

Reduction to Bombay.

(*See pages* 126 *and* 477 *of Report for* 1924.)

Messrs. William Laws & Co. in a letter to the Association invited attention to the high freight rates charged by the East Indian Railway and the Bengal-Nagpur Railway on coal sent to Bombay.

On due consideration, the Committee came to the conclusion that there was a good case for reducing the railway freights on Bengal coal despatched to Bombay and they accordingly addressed a letter on the subject to the Railway Board.

The Committee pointed out in their letter that during the war the freight rates for Central Provinces coals went up to over Rs. 9 and were then reduced to Rs. 8-12 and subsequently to Rs. 7-12. In the case of Bengal coal freight rates went up from Rs. 11-4 to over Rs. 14 and now stood at Rs. 13-12. These figures showed that in the case of Bengal coal there was not much difference between the present freight rate and the rate which prevailed during the war, whereas in the case of Central Provinces coal a considerable reduction had been made. The Committee therefore submitted that in the interests of the great industries in this part of the country which largely used Bengal coal, a reduction in the freight rates was overdue and should be effected with as little delay as possible.

The Committee further pointed out that if the freight rates on Bengal coals were reduced so as to bring them more in line with steamer freights or the pre-war level of Rs. 11-4, much of the coal now sent by sea would in future be sent by rail and would find employment for some of the surplus waggons which the railways of the country are believed to possess, and would eventually lead to a substantial increase in railway earnings.

There were several reasons why the Committee considered that despatch of coal by rail should be encouraged in preference to despatch by sea. In the first place, the railways were among the country's chief economic assets, and to all intents and purposes belonged to, created wealth for, and brought employment to, the people of the country which was not equally true as regards the shipping companies. Secondly, railway freights were in a great measure subject to Government control, and were not liable to be altered arbitrarily at short notice. In a busy season it was quite possible that freight space by sea might be impossible to obtain. Thirdly, mills and other large buyers of coal in Bombay considered that coal sent by rail was likely to be received in better condition, and was less likely to be mixed than coal sent by sea, for the reason that in the case of railways coal had only to be loaded at the colliery, dumped once on arrival, reloaded into carts and taken to the mills. On the other hand, sea-borne coal was dumped at the sea-port and had then to be loaded, dumped down a hold 20 to 40 feet deep, dug up and dumped into a lighter with a 20-feet drop, dug up again and placed on shore, and then dug up a third time and placed on the carts for despatch to the mills—a process which naturally involved a considerable amount of damage and deterioration even if mixing did not take place at the wharf.

The Railway Board in their reply stated that long-distance coal rates introduced in 1926 were fixed at what appeared to be the lowest commercially possible rates and therefore they were unable to recommend further reduction in the rates to Bombay. This reply, in the Committee's opinion, was far from satisfactory and they therefore inquired of the Railway Board as to their reasons for holding that the existing rates were the " lowest commercially possible rates." The Railway Board in their final reply stated that what they meant was that the existing freight rates on coal from the coal-fields to Bombay were as low as in the present circumstances could be quoted in order to give a reasonable rate of profit to the railways and that any reduction of them would not in the present circumstances lead to such a development of traffic as would compensate railways for the loss in receipts caused by the reduction.

The Committee of the Association took up this matter with the two bodies most concerned in this question, viz., the Indian Mining Association and the Indian Mining Federation, and both these bodies expressed the view that there was a good case for reduction in railway freight rates on coal, and that the reply of the Government of India was lame and unconvincing. In fact, the Indian Mining Association had been already carrying on correspondence with the Railway Board on the subject and the final reply received by that Association was in identical terms as the reply received by this Association.

In the issue of *Commerce* dated 26th November, 1927, a reference was made to the above correspondence and the Railway Board's reply was characterized as 'frivolous.' The Committee of the Association, however, held that no useful purpose would be served by another representation to the Railway Board but they deemed it very advisable that the Indian Mining Association and the Indian Mining Federation should respectively move the Associated Chambers of Commerce and the Indian Industrial and Commercial Congress to adopt resolutions urging reduction in railway freights on coal, and letters to this effect were addressed to the two Associations.—(*Appendix* **60.**)

PACKING CONDITIONS FOR INDIAN-MADE PIECEGOODS.

(*See pages* 114 *and* 682 *of Report for* 1925.)

From certain communications received from the Ahmedabad Mill-owners' Association and from the General Traffic Manager, Bombay, Baroda and Central India Railway Company, it appeared that the latter desired to enforce, in the case of Indian-made piecegoods packed in cases or boxes, the same packing conditions that are in force in the case of imported goods, viz.,

(1) Boxes or cases must not be covered with gunny and must either be tin-lined or the contents must be covered with thick paper and waterproof pitch paper. A declaration that the packing is in accordance with these conditions must be entered on the consignment note by the consignor.

(2) Each box or case must bear the name of the consignee and the station of destination in English or vernacular, in addition to the private marks required by Rule 18 of the General Classification of Goods, before it is despatched by rail.

The Committee of the Association, in their reply to the General Traffic Manager, Bombay, Baroda and Central India Railway Company, stated that imported goods had to bear more handling and were subjected to more risk of damage than Indian mill-made goods meant to be transported by rail to different parts of the country, and it would entail an unnecessary burden on cotton mills if the same conditions were to be made applicable to Indian mill-made goods as were in force in the case of imported goods. In the Committee's opinion, tin lining was not at all necessary in the case of Indian mill-made goods, and the interests of the mills as well as the railways would be amply safeguarded if the goods were covered with one sheet of waterproof paper, and there were two iron bands round outside of each case.

—(*Appendix* **61.**)

PURCHASES OF PIECEGOODS BY THE GOVERNMENT OF BOMBAY.

The Committee were informed by one of the members that the Government of Bombay were purchasing piecegoods of foreign manufacture for their requirements although the Bombay mills were in a position to supply similar stuff. They therefore took up the matter with the Government of

Bombay, who in their reply stated that no purchases of cloth of non-Indian manufacture were now allowed except with the previous sanction of Government and that in special circumstances when the required quality of cloth of Indian manufacture could not be obtained as urgently as necessary or when its price was much higher than the corresponding quality of non-Indian manufacture, permission had to be granted for the purchase of cloth of non-Indian manufacture. The Committee have asked Government for detailed statistics and have also suggested the advisability of the Government of Bombay adopting the practice followed by the Government of India of issuing statements every six months showing the quantity of Indian and foreign cloth purchased by them, giving reasons in each case for purchasing foreign cloth.—(*Appendix* **62.**)

KHAKI PUGRI CLOTH.

The Indian Merchants' Chamber, in a letter to the Association, drew the Association's attention to the fact that from the abstract of the purchases of piecegoods by Government for the half-year ended 31st December 1926, it appeared that the order for cotton khaki pugri was placed outside India although similar cloth was manufactured by Indian mills. The Indian Merchants' Chamber inquired whether there was shortage of this cloth in Indian mills at the time the order was placed. In reply, the Chamber was informed that Indian mills were really short of khaki pugri cloth of the quality required. English suppliers carried stocks at very low rates, and as they could give delivery at once at prices 25 per cent. to 40 per cent. cheaper than Indian goods, the order went to England. It appeared that Government were making a very serious attempt to buy in India, for several mills had been asked to carry stocks of standard qualities.

The Committee understand that since the order complained of by the Indian Merchants' Chamber, every order for this cloth has been placed in India.—(*Appendix* **63.**)

PROPOSED INTRODUCTION OF THE MESSAGE RATE SYSTEM OF TELEPHONE CHARGES IN BOMBAY.

(*See pages* 137 *and* 548 *of Report for* 1926.)

It was stated in the Association's Report for 1926 that the Government of Bombay had accepted the principle of the message rate system of telephone charges for Bombay notwithstanding the opposition from this Association and the Indian Merchants' Chamber, and that they had appointed a Committee with the object of considering the question of the scale of rates to be applied under the new system. Mr. Lalji Naranji was appointed to act as the Association's representative on this Committee. It is understood that no agreement could be reached between Government and the Telephone Company as to the scale of charges, and the matter has therefore not been proceeded with further.—(*Appendix* **64.**)

EXHIBITS FOR THE INDIAN GALLERY OF THE IMPERIAL INSTITUTE.

Early in March Mr. Burt, the Secretary of the Indian Central Cotton Committee, forwarded to the Association an extract from a letter received by him from the Indian Trade Commissioner regarding the general re-arrangement of the Indian Gallery of the Imperial Institute and regarding the necessity of displaying in the best possible way the highest type of cotton production and cotton manufacture of this country. The Committee held that the productions of Indian mills were chiefly utilitarian and would, for that reason, be quite unsuitable for display in the Indian Gallery, but that the finer and more artistic goods produced on the handlooms of the country might well be exhibited. Mr. Burt, however, in his reply stated that at his personal discussion with the Indian Trade Commissioner and the Director of the Imperial Institute, both considered that suitable specimens of goods manufactured in Indian mills were necessary to complete the exhibit. The object was to give a broad general idea of the cotton industry of India, including both growing and manufacture, and to exhibit only the raw material and handloom products, in Mr. Burt's opinion, would give an entirely incorrect impression of India's position in the cotton world. After this letter from Mr. Burt, the Committee decided to obtain from different mills suitable samples of those particular types for which these mills were famous, and these samples were forwarded to the Imperial Institute through Mr. Burt for display in the Indian Gallery.—(*Appendix* **65.**)

REFUSAL OF ADMISSION TO THE FIRE BRIGADE STAFF IN MILLS.

A complaint was received by the Association from the Municipal Commissioner to the effect that after responding to fire calls from mills, the Fire Brigade had on arrival in certain cases been refused admittance to the mill premises or had been only able to gain admission after much altercation with the mill staff.

In view of the serious penalties to which mills are liable for offences of this nature, the Committee of the Association were surprised that any mill should have adopted a policy which gave cause for a complaint of the nature indicated in the Commissioner's letter. The Committee accordingly requested all mill agents to issue instructions to their mill staff to grant every possible facility to the Fire Brigade in future.—(*Appendix* **66.**)

MONEY ORDERS SENT BY MILL HANDS TO THEIR NATIVE PLACES.

The Postmaster-General of Bombay, in a letter to the Chairman of the Association, pointed out that as soon as millhands got their wages, they rushed to the nearest post office to send money orders to their native villages. The rush was great and caused congestion at the post offices situated in the mill area. This was not convenient either to the millhands or to the post-office staff. The Postmaster-General, therefore, suggested that all these

money orders might be made out by a member of the clerical staff of each mill, and then sent to the Postmaster in one lot with a covering list and a cheque for the total amount of money orders. It appeared that the arrangement suggested by the Postmaster-General was in force in several large concerns, including some cotton mills, and was working very satisfactorily. The Committee approved of the proposal made by the Postmaster-General, and addressed a circular letter to members strongly recommending them to issue instructions to their mill managers to adopt the above arrangement in their mills.—(*Appendix* **67.**)

PROPOSAL TO INTRODUCE A SYSTEM OF "PHONOGRAMS" IN BOMBAY.

The Postmaster-General, Bombay Circle, forwarded to the Association a circular letter stating that provided there was a sufficient demand, it was proposed to introduce in Bombay as an experimental measure a system which would provide facilities for telephone subscribers to send and receive telegrams in plain English by telephone. The Postmaster-General stated that such messages would be called "phonograms," and outlined certain proposals for the introduction of this facility to telephone subscribers, and solicited the Association's views on the subject. In reply, the Postmaster-General was informed that the Committee approved of the proposal to introduce "phonograms" in Bombay, and would watch with interest the results of the experiment during the first year after introduction. —(*Appendix* **68.**)

COMMERCIAL EXAMINATION SCHEME.

The Indian Merchants' Chamber have organized a scheme of Commercial Examinations with a view to encourage the spread of commercial education, and forwarded to the Association a copy of the rules and syllabus. The Chamber asked for the Association's co-operation, and, in reply, were informed that the Committee of this Association recognized the utility of the proposed scheme of commercial examinations but were not in a position to extend their co-operation to the Chamber in this matter.—(*Appendix* **69.**)

ARBITRATION BY THE INDIAN CHAMBER OF COMMERCE, CALCUTTA.

The Indian Chamber of Commerce, Calcutta, addressed a letter to the Association intimating that the Chamber was now prepared to undertake arbitration in cases of disputes, and requesting the Association to recommend its members to insert a clause in their contracts to the effect that all disputes in respect of goods sent to Calcutta or other parts of the Bengal Presidency should be decided by arbitration under the rules and regulations of the Indian Chamber of Commerce, Calcutta.

On due consideration the Committee decided that the contents of the letter should be brought to the notice of the members of the Association, and that it should be left to individual members to take such action in the matter as they might deem proper.—(*Appendix* **70.**)

TEXTILE TRADES' ASSOCIATION FOR THE PREVENTION OF FRAUDULENT TRADING.

The Secretary of the above Association, whose office is in London, in a letter to this Association stated that his Association was working for the protection of the textile trade against fraudulent traders. He invited the co-operation of this Association and suggested that whenever the members of this Association had complaints as to fraudulent trading, they should send particulars to him for investigation by his Association. In reply the Committee of the Association asked for fuller information regarding the nature of the work done by the Textile Trades' Association for the Prevention of Fraudulent Trading and as to how and under what circumstances the services of that Association could be utilized by the members of this Association.—(*Appendix* **71.**)

RESULTS OF THE WORKING OF THE COTTON MILLS OF BOMBAY IN 1926.

It was stated in the Association's Report for 1924 that it was decided to prepare an Annual Statement showing a results of the working of the cotton mills of Bombay. A statement prepared accordingly by the Association and audited by Messrs. A. F. Ferguson & Co., was forwarded to all members. 77 mills out of 82 submitted returns, and after making the necessary provision for depreciation, Messrs. Ferguson & Co. estimated that the total loss made by Bombay mills in 1926 was Rs. 1,95,40,908.

FLOODS IN GUJERAT.

The Central Relief Fund.

The Committee of the Association, at a meeting held in August, considered the advisability of the Association collecting subscriptions from members for the Central Relief Fund in connection with the disastrous floods in Gujerat, and it was agreed that it was most desirable that the members of the Association should contribute in a body to this fund, and that the Chairman should make an appeal for subscriptions to all members of the Association. The Chairman accordingly addressed a circular letter to members of the Association stating that although in view of the very critical times through which the industry was passing, this was not exactly an opportune moment to ask millowners for financial assistance in any cause, it would be readily admitted that the disaster which had overtaken Gujerat was unprecedented in magnitude, calling for assistance from every direction, and it was hoped that every member of the Association, despite the present hard times, would contribute his quota.

As a result of this appeal, a sum of Rs. 31,462 was collected including a sum of Rs. 6,000 sent direct to the Central Relief Fund by two of the members. Before the appeal was issued, three of the members had sent in Rs. 11,500 to the fund.

DONATIONS.

The following Donations were sanctioned and paid out of the Association's funds during the year under review:—

	Rs.
The Victoria Jubilee Technical Institute	2,000
The Sydenham College of Commerce and Economics ..	1,000
The Police Comforts Fund	1,000
The Sir J. J. Hospital Nursing Association Fund	750
The Bombay Textile and Engineering Association.. ..	500
The Goculdas Tejpal Nursing Association Fund	250
The Adams Wylie Memorial Hospital	250
The Bombay Baby Week celebrations	250

STOCKS OF YARN AND CLOTH HELD BY BOMBAY MILLS IN 1927.

The figures in the following tables give a very close approximation of the stocks of yarn and cloth held by the mills of Bombay City and Island from month to month during 1927. The year opened with a stock of 34,000 bales of yarn and 121,000 bales of cloth, while at the end of the year the figures stood at 39,000 and 152,000 respectively. The monthly averages of stocks during the year were 35,000 bales of yarn and 135,000 bales of cloth against 41,500 bales of yarn and 116,000 bales of cloth in 1926. These figures bear eloquent testimony to the difficulties experienced in selling Indian mill-made piecegoods in competition with the "sweated" production of Japanese mills.

YARN.

TABLE I.

STOCKS IN BALES.

	From Mills submitting Returns.			*Approximation for all Mills in Bombay City and Island.*		
Date of Return.	No. of spindles represented.	Sold but delivery not taken.	Unsold.	Total uncleared.	Sold but delivery not taken.	Unsold.	Total uncleared.
1927							
31st January	34,47,050	14,925	20,210	35,135	15,000	20,000	35,000
28th February	34,34,498	17,034	12,987	30,019	17,000	13,000	30,000
31st March	34,03,954	16,279	15,277	31,556	17,000	15,000	32,000
30th April	34,47,050	16,981	21,266	38,247	17,000	21,000	38,000
31st May	33,75,358	15,006	22,476	37,482	15,000	23,000	38,000
30th June	33,44,814	14,747	22,093	36,840	15,000	23,000	38,000
31st July	32,98,014	17,065	19,697	36,762	18,000	20,000	38,000
31st August	33,75,358	17,050	14,950	32,000	17,000	15,000	32,000
30th September	33,69,214	16,219	13,277	29,496	17,000	13,000	30,000
31st October	34,72,642	16,540	19,953	36,493	16,000	20,000	36,000
30th November	34,72,642	17,462	19,827	37,289	17,000	20,000	37,000
31st December	34,72,642	15,766	23,297	39,063	16,000	23,000	39,000

CLOTH.

TABLE III.

STOCKS IN BALES.

Date of Return.	*From Mills submitting Returns.* No. of looms represented.	Sold but delivery not taken.	Unsold.	Total uncleared.	*Approximation for all Mills in Bombay City and Island.* Sold but delivery not taken.	Unsold.	Total uncleared.
31st January 1927	72,709	40,544	75,818	116,362	41,000	77,000	118,000
28th February	72,436	41,136	66,084	107,220	42,000	67,000	109,000
31st March	71,596	38,061	70,546	108,607	39,000	72,000	111,000
30th April	73,301	39,066	80,038	119,104	39,000	80,000	119,000
31st May	73,004	44,669	82,806	127,475	46,000	83,000	129,000
30th June	72,164	61,655	86,288	147,833	62,000	88,000	150,000
31st July..	71,646	75,164	79,257	154,421	77,000	81,000	158,000
31st August	73,004	79,097	72,186	151,283	80,000	73,000	153,000
30th September	73,004	64,355	72,382	136,737	65,000	73,000	138,000
31st October	73,701	55,311	82,482	137,793	55,000	83,000	138,000
30th November	73,701	49,083	94,005	143,088	49,000	94,000	143,000
31st December	73,701	46,961	105,373	152,334	47,000	105,000	152,000

RAW COTTON STOCKS HELD BY BOMBAY MILLS.

In accordance with the usual practice, stocks of raw cotton held by Bombay cotton mills were collected by the Committee and the following summarised statement was subsequently issued :—

Quantity of Raw Cotton in stock on 31st August, 1927.

Cotton actually on hand in Mill Godowns.		Ready Cotton bought but not taken delivery of.		Total.	
Actual number of bales.	Actual weight of bales. (In candies of 784 lbs.)	Actual number of bales.	Actual weight of bales. (In candies of 784 lbs.)	Actual number of bales.	Actual weight of bales. (In candies of 784 lbs.)
2,06,904	1,11,138	17,901	9,864	2,24,805	1,21,002

MILL HOLIDAYS AND PAY-DAYS, 1928.

The following mill holidays, which are in accordance with the provisions of the Indian Factories Act, have been fixed by the Committee of the Bombay Millowners' Association for adoption by the members of the Association, during the year 1928.

If for any special reasons, it is found necessary to close the mills on days other than those mentioned below, the Chief Inspector of Factories, Old Customs House, Bombay, should be informed accordingly in accordance with Section 22 of the Indian Factories Act and the Association should also be informed at least ten clear days prior to the Holiday concerned.

Month.	Date of Holiday.	Day of Week.	Festival.	* Suggested monthly Pay Day.	Day of Week.
January ..	1st	SUNDAY.	*New Year Day.*	13th ..	Friday
	8th	Do.			
	14th	Saturday.....	*Makar Sankrant.*		
	22nd	SUNDAY.			
	29th	Do.			
February ..	5th	SUNDAY.		11th ..	Saturday.
	12th	Do.			
	19th	Do.	*Maha Shivaratri.*		
	26th	Do.			
March	6th	Tuesday	*Holi.*	15th ..	Thursday.
	7th	Wednesday.....			
	8th	Thursday			
	18th	SUNDAY.			
	22nd	Thursday	*Gudi Padwa.*		
	29th	Do.	*Ram Navmi.*		
April	8th	SUNDAYS.		14th ..	Saturday.
	15th				
	22nd				
	29th				
May	6th	SUNDAYS.		12th ..	Saturday.
	13th				
	20th				
	27th				
June	3rd	SUNDAY.		9th ..	Saturday.
	10th	Do.			
	17th	Do.			
	24th	Do.			
	28th	Thursday	*Ashadi Ekadeshi.*		
July	8th	SUNDAYS		14th ..	Saturday.
	15th				
	22nd				
	29th				
August	5th	SUNDAY.		11th ..	Saturday.
	12th	Do.			
	20th	Monday.....	*Nag Panchami.*		
	26th	SUNDAY.			
	30th	Thursday	*Narli Purnima*		
September ..	7th	Friday.....	*Gocul Asthami.*	12th ..	Wednesday.
	17th	Monday	*Ganesh Chaturthi*		
	22nd	Saturday.....	*Gowri Visarjan.*		
	28th	Friday.....	*Anant Chaturdashi*		
October ..	7th	SUNDAY.		12th ..	Friday.
	13th	Saturday.....	*Sarva Pitra Amvasa.*		
	23rd	Tuesday	*Dasara.*		
	28th	SUNDAY.			
November ..	4th	SUNDAY.		11th ..	Sunday.
	12th	Monday.....			
	13th	Tuesday	*Devali.*		
	14th	Wednesday.....			
	18th	SUNDAY.			
	25th	Do.			
December ..	2nd	SUNDAYS.		15th ..	Saturday.
	9th				
	16th				
	23rd				

* *Note.*—The dates shown in Column 5 are recommended by the Committee of the Association as Pay days for general adoption by members of the Association.

BOMBAY MILLOWNERS' ASSOCIATION.

Balance Sheet as at 31st December 1927.

LIABILITIES.		Rs. a. p.	Rs. a. p.
SUNDRY CREDITORS :—			
For Imperial Bank of India (overdraft)		60,206 15 0	
For Auditors' fees, Printing, Stationery, Advertisement, Electric Lights and Fans, etc., unpaid		1,269 7 6	61,476 6 6
ASSOCIATION'S ACCUMULATED FUND :—			
Balance on 31st December 1926:—			
	Rs. a. p.		
General Fund	1,46,269 7 7		
Travelling Agency Fund ..	6,241 1 4	1,52,510 8 11	
Add—Interest on Government Paper of Travelling Agency Fund		105 0 0	
Add—Excess of Income over Expenditure		13,291 4 4	
	Rs. a. p.		
General Fund..	1,59,560 11 11		
Travelling Agency Fund	6,346 1 4		1,65,906 13 3
TOTAL ..		....	2,27,383 3 9

ASSETS.	Rs. a. p.	Rs. a. p.
Interest accrued on Association's investment of General Fund and Travelling Agency Fund up to 31st December 1927, but not received	....	3,890 4 5
Advance payments made on account of Books and Periodicals, Telephones, Salary to Clerk at Calcutta and other sundry items	817 7 10	
Advance payment to staff	100 0 0	917 7 10
ASSOCIATION'S INVESTMENTS :—		
Government 3½ per cent. Promissory Notes of 1865, 1854-55 and 1900-01 for Rs. 92,000 at cost	67,670 10 0	
Do. 5 per cent. Indian War Loan, War Bonds, 1929-47 for Rs. 25,000 at cost ..	24,156 4 0	
Do. 5½ per cent. Indian War Loan, War Bonds, 1928 for Rs. 30,000 at cost ..	30,000 0 0	
Do. 6 per cent. Indian War Loan, War Bonds, 1930 for Rs. 15,000 at cost	15,000 0 0	
Do. 6 per cent. Indian War Loan, War Bonds, 1932 for Rs. 5,500 at cost	5,500 0 0	
Do. 3½ per cent. Indian Sterling Stock (Bearer Bonds) 1931 for £ 8,500 at cost ..	79,748 9 6	2,22,075 7 6
CASH :—		
Cash in the Imperial Bank of India, Secretary's Account	300 0 0	
Cash in hand	200 0 0	500 0 0
TOTAL Rs. ..	....	2,27,383 3 9

Examined and found correct.

A. F. FERGUSON & Co.,
Chartered Accountants
AUDITORS.

BOMBAY, *17th January*, 1928.

T. MALONEY,
Secretary

BOMBAY MILLOWNERS' ASSOCIATION.

Dr. *Income and Expenditure Account for the Year ended 31st December, 1927.* *Cr.*

EXPENDITURE.	Rs. a. p.	Rs. a. p.	INCOME.	Rs. a. p.	Rs. a. p.
To Establishment	40,367 8 6		By Subscriptions for the year ended 31st December 1927	84,652 0 0	
Conveyance Allowance to Secretary	1,200 0 0		Miscellaneous Receipts	2,462 10 4	
Preparation of Monthly Import and Export Statistics	3,024 13 4		Interest on investments of General Fund	10,027 5 8	
Preparation of Statistics for the Bombay Cotton Mill Industry for 1926	658 0 0				97,142 0 0
Office Rent	3,600 0 0				
Printing Statistical Returns, Mill Statement for 1927 and Annual Report for 1926, etc.	7,611 13 0				
Stationery	1,815 8 6				
Advertisements	317 2 0				
Books and Periodicals	955 1 11				
Auditors' Fees	200 0 0				
Furniture and Fittings	220 8 0				
Telephones	459 6 8				
Electric Lights and Fans	394 0 6				
Law Charges	600 6 0				
Petty charges, Sundry expenses including Postage and Telegrams	2,106 5 4				
Association's Contributions to Provident Fund and Interest	3,300 8 8				
Expenses in connection with Tariff Board Enquiry and Cotton Mill Industry Protection Propaganda work Rs. 13,940-12-11					
Less—Expended from Cotton Excise Duty Propaganda Account „ 2,921-3-8	11,019 9 3				
	77,850 11 8				
Association's Contributions for the Year to :—					
	Rs. a. p.				
The Victoria Jubilee Technical Institute	2,000 0 0				
The Sydenham College of Commerce and Economics	1,000 0 0				
The Police Comforts Fund	1,000 0 0				
The Sir J. J. Hospital Nursing Association Fund	750 0 0				
The Goculdas Tejpal Hospital Nursing Association Fund	250 0 0				
The Adams-Wylie Memorial Hospital Fund	250 0 0				
The Bombay Textile and Engineering Association	500 0 0				
The National Baby Week	250 0 0				
	6,000 0 0				
		83,850 11 8			
Balance being excess of income over expenditure transferred to Association's Balance Sheet	....	13,291 4 4			
Total Rs.	....	97,142 0 0	Total Rs.	....	97,142 0 0

Examined and found correct.
A. F. FERGUSON & Co.,
Chartered Accountants,
AUDITOR

T. MALONEY,
Secretary.

BOMBAY, *17th January*, 1928.

BOMBAY MILLOWNERS' ASSOCIATION PROVIDENT FUND.

Statement of Funds as at 31st December, 1927.

RECEIPTS.	Rs. a. p.	Rs. a. p.	EXPENDITURE.	Rs. a. p.	Rs. a. p.
By Amount of Funds as at 1st January 1927		18,393 14 6	To Expenses incurred during the year		2 2 6
Subscriptions paid by the members of the Staff during the year	3,191 10 8		*Investments.*		
Association's Contributions	3,191 10 8		Government 3½ per cent. Promissory Notes 1900-01 and 1954-55 for Rs. 2,200 at cost	1,482 4 0	
Interest (including interest accrued to date Rs. 365-9-4)	1,041 12 0	7,425 1 4	Government 5 per cent. Tax Free War Bonds 1933 for Rs. 5,000 at cost	4,892 8 0	
			Government 5 per cent. Tax payable Bonds 1929-47 for Rs. 6,000 at cost	6,097 8 0	
			Government 5 per cent. Tax payable Bonds 1935 for Rs. 9,000 at cost	8,987 8 0	
				21,459 12 0	
			Interest accrued and due on the above securities ..	365 9 4	
			Refund due for Income-tax paid on the above securities.	14 1 0	
			Cash with the Imperial Bank of India in current account.	3,977 7 0	
					25,816 13 4
TOTAL Rs. ..	....	25,818 15 10	TOTAL Rs. ..	....	25,818 15 10

Examined and found correct.

A. F. FERGUSON & Co.,
Chartered Accountants,
AUDITORS.

BOMBAY, *17th January*, 1928.

T. MALONEY,
Secretary.

Report for the year 1927.

Section III.

CORRESPONDENCE.

APPENDICES **1—71.**

APPENDIX 1.

ADVISORY COMMITTEE ON THE BACK BAY RECLAMATION SCHEME.

No. S.B./1364.

DEVELOPMENT DEPARTMENT,
BOMBAY CASTLE, *4th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Appointment of a Committee to advise Government on all important matters regarding the Back Bay Reclamation Scheme.*

I am directed to forward herewith copies of Government Resolution No. S.B./1300, dated the 27th July 1927, and Press Note No. S.B./1301, dated the 27th July 1927, regarding the appointment of a committee to advise Government on all important matters regarding the Back Bay Reclamation Scheme and to invite your Association to nominate a representative from amongst its members to represent it on the committee.

2. I am to request the favour of a very early reply.—I have, etc.,

(Sd.) WACHHA,
For *Secretary to the Government of Bombay,*
Development Department.

GOVERNMENT OF BOMBAY.

DEVELOPMENT DEPARTMENT.

Resolution No. S.B./1300.

BOMBAY CASTLE, *27th July*, 1927.

RESOLUTION OF GOVERNMENT.

Appointment of a Committee to advise Government on all important matters regarding. Bombay Scheme No. 1—Back Bay Reclamation.

The Governor in Council is pleased to appoint a committee consisting of the following members to advise Government on all important matters regarding the Back Bay Reclamation Scheme, which are referred to them for their opinion :—

Four representatives, one each to be elected by the Bombay Municipal Corporation, the Bombay Chamber of Commerce, the Indian Merchants' Chamber and the Millowners' Association, Bombay.

J. McClure, Esquire, Chief Engineer, Bombay Port Trust (subject to the approval of the Trustees for the Port of Bombay).

J. W. Mackison, Esquire, C.I.E., Special Engineer, Development Works, Bombay Municipality (subject to the approval of the Bombay Municipal Corporation).

Mr. H. St. C. Smith, Deputy Secretary to Government, Development Department, should be appointed as secretary to the committee.

2. The term of office of the members of the committee should be for three years in the first instance. Orders regarding the chairmanship of the committee will be issued later.

3. The committee should advise Government on all important matters regarding the Back Bay Reclamation Scheme which are referred to them for their opinion. The committee will thus assume the duties hitherto performed in respect of the Back Bay Reclamation Scheme by the old Advisory Committee attached to the Development Directorate.

4. The Chief Engineer, Back Bay Reclamation Scheme, should attend all the meetings of the committee unless excused by them from attendance. The other officers of the Development Department should attend its meetings, when required by the committee.—By order, etc.,

H. ST. C. SMITH,
Deputy Secretary to Government.

Press Note.

In paragraph 175 of their report the Enquiry Committee, presided over by Sir Grimwood Mears, recommended that a small committee of five or six members, including one or two experienced engineers of the Public Works Department, should be constituted to advise Government on all important matters regarding the Back Bay Reclamation Scheme which are referred to them for their opinion. Government do not consider that the recommendation for the inclusion of one or two experienced engineers of the Public Works Department is altogether in harmony with the present arrangement by which the Chief Engineer, Back Bay Reclamation Scheme, is an *ex*-officer and *ex*-Chief Engineer of the Public Works Department and one of the Deputy Chief Engineers is also an officer of the same Department. A committee has accordingly been constituted and will consist of :—

Four representatives, one each to be elected by the Bombay Municipal Corporation, the Bombay Chamber of Commerce, the Indian Merchants' Chamber, and the Millowners' Association, Bombay.

J. McClure, Esquire, Chief Engineer, Bombay Port Trust (subject to the approval of the Trustees for the Port of Bombay).

J. W. Mackison, Esquire, C.I.E., Special Engineer, Development Works, Bombay Municipality (subject to the approval of the Bombay Municipal Corporation).

Mr. H. St. C. Smith, Deputy Secretary to Government, Development Department, has been appointed as secretary to the committee. The term of office of the members of the committee will be for three years in the first instance.

2. The committee will advise Government on all important matters regarding the Back Bay Reclamation Scheme which are referred to them for their opinion. The committee will thus assume the duties hitherto performed in respect of the Back Bay Reclamation Scheme by the old Advisory Committee attached to the Development Directorate.

No. 1512/145 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *17th August*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
DEVELOPMENT DEPARTMENT, BOMBAY.

SIR,

SUBJECT :—*Appointment of a Committee to advise Government on all important matters regarding the Back Bay Reclamation Scheme.*

I am directed to acknowledge receipt of your letter No. S.B./1364 dated 4th July 1927 regarding the appointment of a Committee to advise Government on all important matters regarding the Back Bay Reclamation Scheme and inviting the Association to nominate a representative to act on the Committee.

2. Government are aware that one of the strongest criticisms brought against the different activities of the Development Department was that many important questions were not referred to the Advisory Committee concerned, and my Committee trust that Government will see that the same policy is not followed in regard to the new Advisory Committee now proposed to be formed. My Committee maintain that if the Advisory Committee is to serve any really useful purpose, *all* important questions pertaining to the Back Bay Reclamation without reservation should be referred to them for their opinion, and they hope Government are in agreement with this view.

3. It is on this understanding that my Committee have appointed Mr. J. B. Petit, who is the Association's representative on the Advisory Committee in connection with the Industrial Housing Scheme, to act as the Association's representative on the new Advisory Committee proposed to be formed in connection with the Back Bay Reclamation Scheme. —I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 2.

THE RAILWAY RATES ADVISORY COMMITTEE.

No. 1679-T.

GOVERNMENT OF INDIA,
RAILWAY DEPARTMENT (RAILWAY BOARD),
SIMLA, *3rd October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Representation of Commercial interests on the Railway Rates Advisory Committee.

With reference to your letter No. 946/90 of 1926 dated 15th June 1926, I am directed to state that a revised list showing names and addresses of the commercial representatives for service on the commercial panel of the Rates Advisory Committee will be published shortly in the *Gazette of India* and to request that the Railway Board may be furnished with any alteration to be made in the list of members representing your Association. —I have, etc.,

B. MOODY,
For *Secretary, Railway Board.*

No. 1970/175 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *20th October*, 1927.

THE SECRETARY TO THE RAILWAY BOARD,
SIMLA.

SIR,

Representation of Commercial interests on the Railway Rates Advisory Committee.

In reply to your letter No. 1679-T dated 3rd October 1927, I am directed to state that my Committee do not wish to make any alteration in the list of gentlemen acting at present as the Association's representatives on the commercial panel of the Railway Rates Advisory Committee.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 3.

CORRESPONDENCE WITH THE GOVERNMENT OF INDIA REGARDING THE DELAY IN THE PUBLICATION OF THE TARIFF BOARD'S REPORT.

Copy of telegram dated 4th February 1927 from the Bombay Millowners' Association to the Government of India, Commerce Department :—

"In order to fix date for Annual General Meeting Committee Millowners' Association desire to know when Tariff Board's report will be published. Please wire reply."

Reply telegram dated 7th February 1927 received from the Government of India, Commerce Department :—

" Your telegram fourth Tariff Board's Cotton Industry Report date of publication not settled. In any case unlikely publication will take place this month."

Copy of telegram dated 8th February 1927 from the Bombay Millowners' Association to the Government of India, Commerce Department :—

" Your telegram seventh the Association greatly disappointed at delay publication Tariff Board's report. Considering very great anxiety of all interested producers sellers consumers Association requests Government reconsider their decision and publish report before end this month."

Copy of Government's reply dated 15th February 1927 :—

" Your telegram dated eighth Government recognise desirability of publishing Tariff Board's Cotton Industry Report as soon as possible. They consider it essential however that their decisions on the most important of the recommendations made should be announced at time of publication and they regret it is impossible at present to fix definite date."

No. 501/60 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *14th March*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, DELHI.

SIR,

SUBJECT :—*Publication of Tariff Board's (Cotton Textile Industry Enquiry) Report and Government's decisions in regard thereto.*

I have the honour to confirm having wired you to-day as below :—

"Committee Bombay Millowners' Association strongly urge desirability of publishing Tariff Board's report and Government's decision in regard thereto before the close of the present Legislative Assembly session. The Committee beg to refer to His Excellency the Viceroy's assurance given on twenty-fourth January that a prompt decision would be made on the issues involved and are constrained to point out that the unaccountable delay in dealing with the report is creating uneasiness in commercial circles generally and raising apprehensions about Government's attitude. Committee regard publication of report and its consideration by the Legislature during current session most important."—I have, etc.,

T. MALONEY,
Secretary.

No. 587/60 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th March*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, DELHI.

SIR,

SUBJECT :—*Tariff Board Enquiry (Cotton Textile Industry).*

I am directed by my Committee to acknowledge receipt of your telegram of the 16th instant reading :—

> "Your telegram dated 14th Tariff Board's Cotton Industry Report. As intimated in my telegram of 15th February Government of India regret that it is quite impossible for them to publish report before close of present session. They will publish it as soon as they have arrived at decision on most important recommendations. They cannot fix a date but will publish as soon as possible."

2. My Committee consider it to be most unfortunate that the preoccupation of Government in the matter of the ratio and currency questions should have prevented Government from reaching a decision in regard to the Tariff Board's report. When the Tariff Board was appointed in the earlier part of 1926, it was never for a moment imagined that the report would not be available for consideration during the present session of the Assembly. His Excellency the Viceroy's pronouncement in the Legislative Assembly on 24th January 1927, gave further assurance that on receipt of the Tariff Board's report, the Government of India would arrive at a speedy decision on the recommendations contained therein. I am directed to point out that trade at the present time is being greatly hampered owing to the uncertainty which the delay in publication has engendered, and the doubt as to whether any action can be taken immediately on the recommendations which Government may make if the Assembly is not in session.

3. A hypothetical example will convince Government as to the injustice which will be done to the cotton industry of the country by publication after the 31st March. If, as my Committee hope, Government recommend an increase in import duties on competitive imports from other countries, publication of such recommendation in April or May would probably lead to dumping by Japan and other countries in the interval of time which would of necessity elapse before the additional duties were sanctioned by the Assembly, and the benefits which would accrue to the industry by the additional duties could by this means be nullified for a considerable space of time. It is hoped that Government will bear in mind this danger when publishing their decisions on the report and ensure a speedy consideration of them by the Legislature.—I have, etc.

T. MALONEY,
Secretary.

No. 924/60 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st June*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

I have the honour to confirm my telegram of to-day's date worded as under :—

> " Committee Bombay Millowners greatly surprised at continued delay in publication Tariff Board's report with Government's decision thereon stop Committee unable understand reasons for delay and would appreciate an indication of Government's difficulties."

2. My Committee very much regret that notwithstanding very definite assurances, given from time to time, that a decision would be taken by Government with the least possible delay, nearly twelve months have passed since the Special Tariff Board was first appointed and nearly six months have elapsed since Government received the Tariff Board's report, and still the report and Government's decision thereon remain unpublished.

3. My Committee, at this juncture, do not wish to recapitulate the assurances of an early decision given by the Viceroy, Sir Charles Innes and Sir George Rainy, but would draw attention to the fact that the Fiscal Commission definitely laid down that in all investigations conducted by the Tariff Board, Government should publish the results of the enquiry promptly whether it agreed with the Board's conclusions or not, and in cases in which Government contemplated acting on the recommendations of the Tariff Board, the necessary legislation should be introduced with as little delay as possible.

4. If the decisions of the Government of India have been arrived at by the end of May at the latest, as the Hon'ble Member for Commerce stated they would be, my Committee urge that publication should take place at once accompanied, if necessary, by a Vice-regal Ordinance, the notification of a special session of the Assembly during the month of June or July, or an announcement moving forward the September session of the Assembly in order to deal with the legislative and other problems raised by the Tariff Board's report and Government's decisions thereon.

5. The long continued delay in the publication of the report is very unsettling in its effects on trade and has created a feeling of considerable uneasiness and uncertainty and early action by Government to allay these feelings, in my Committee's opinion, is very much needed.

6. As a matter of interest to the Government of India, and the Department of Commerce in particular, I am sending herewith a copy of an extract from the *Japan Financial and Economic Monthly* for the month of February containing the latest information the Association has received regarding the measures now being taken by the Japanese Government to protect the staple industries of the country.—I have, etc.,

T. MALONEY,
Secretary.

(" JAPAN FINANCIAL AND ECONOMIC MONTHLY "—February, 1927.)

Protection of Staple Industries.

In response to an enquiry put by the Department of Commerce and Industry, the Commission on the Promotion of National Industry has recently drawn up a basic policy for laying solid foundation for the staple industries of the country and the means to be employed for carrying it out. By taking into consideration these important results of study by the Commission, the authorities of the Department of Commerce and Industry soon completed a draft of a basic policy for the helping of staple industries of the country which they had been studying. The draft policy, which has already been transferred to the Legislation Bureau, will shortly be decided upon at the Cabinet Council. As a result, the expenditure required for the protection of industries for the financial year of 1927-28 will be submitted to the Diet in the form of an additional estimate. To state in outline the basic policy for the helping of staple industries, for ten to fifteen years to come (according to industry) the Government is to render pecuniary help to staple industries to the extent of roughly Yen 45,000,000 a year. The measures to be taken for the purpose will consist in (*a*) abating or suspending the income-tax and the profit-tax for the industries affected and (*b*) abating or suspending the import duties on the tools and machines and raw materials to be employed by the industries affected. Industries which are thus to be entitled to the special protection of the Government will be on the whole ten in kind, including soda, aluminium, the manufacture of iron, electric machinery, spinning machinery, automobiles, ship-building, etc.

APPENDIX 4.

PUBLICATION OF THE TARIFF BOARD'S REPORT AND GOVERNMENT'S DECISIONS THEREON—REPORT OF AN INTERVIEW GIVEN BY THE CHAIRMAN TO A REPRESENTATIVE OF THE "TIMES OF INDIA."

No. 286-T (3).

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
SIMLA, *6th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Tariff Board Enquiry (Cotton Textile Industry).

I am directed to acknowledge the receipt of your telegram dated the 1st June 1927, and your letter No. 924-60 of the same date on the above subject and to forward for information a copy of this Department Resolution No. 341-T (27) announcing the decisions of the Government of India on the main recommendations of the Tariff Board (Cotton Textile Industry Enquiry) which is being published on the 7th June 1927 along with the report. —I have, etc.,

(Sd.) (ILLEGIBLE)
For *Secretary to the Government of India.*

No. 341-T. (27).

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE.

TARIFFS.

SIMLA, *7th June*, 1927.

RESOLUTION.

Reference to the Tariff Board.

On the application of the Bombay Millowners' Association, the Government of India appointed a special Tariff Board in June 1926 to investigate the condition of the cotton textile industry, to examine the causes of the depression, and in particular to consider whether the depression was due to the competition of other countries. The Board was instructed to report whether the industry was in need of protection and, if so, in what form and for what period protection should be given. The Board was further instructed to make any other recommendations germane to the subject.

Findings of the Tariff Board.

2. The Board has found that the present depression is largely due to causes which are not peculiar to India, but are world-wide in their operation. In India itself the depression has been much more acutely felt in Bombay than in other centres, and the Board attributes this state of affairs partly to causes for which the millowners themselves are responsible, partly to the competition of the mills in other parts of India, and partly to competition from Japan. Under the first head, stress is laid on undue conservatism and insufficient diversifi-

cation of production, while the relative prosperity of the mills in other parts of India is ascribed mainly to the natural advantages they possess, particularly in a lower rate of wages, and also in their proximity to their markets and to the areas from which they obtain their raw material. The Board has emphasised the importance of the increasing competition of the mills in other parts of India as a menace to the industry in Bombay, and considers that it constitutes a problem not less urgent than that which arises from competition from abroad.

3. The Board has found that the competition from abroad, from which the Bombay mill industry is suffering, is from one country only. It was not contended by the Bombay Millowners' Association that either the volume of the imports from the United Kingdom or the prices at which they were sold, had in any way been a contributing cause of the present depression; and in regard to imports from all countries other than Japan, the Board has found that there has been no change to the disadvantage of India as compared with the pre-war position. On the other hand, Japanese competition is severely affecting the industry in respect both of yarn and piecegoods, and in so far as this competition is facilitated by inferior conditions of labour in Japan, the industry has, in the Board's view, established its claim to protection against it. The inferior conditions particularly referred to arise from the provision of the Japanese Factory Law which permits for the present the employment of women by night, and thereby enables the Japanese mills to work double shifts. The advantage to the Japanese mills in the actual cost of manufacture, according to the Board's estimate, is about 4 per cent. on both yarn and cloth; but if a reasonable return on capital is included in the cost of production, the advantage increases to 10 per cent. on yarn and 12½ per cent. on cloth. The Japanese mills will, the Board thinks, retain their advantage until the date when the amended Factory Law comes into full operation, which is expected to be the 1st July, 1929; and in that case any influence on the market of stocks accumulated before that date should have disappeared by the end of the official year 1929-30. All the findings of the Board which have been mentioned are unanimous, except as regards the estimated advantage to a Japanese mill working double shifts, if a fair return on capital is included in the cost of production.

Recommendations of the Tariff Board.

4. In addition to a number of detailed recommendations directed towards the improvement of the internal organization of the industry, which cannot be summarised here, the Board has made two important recommendations designed to assist the industry in securing greater diversification of production, and to stimulate a larger output of goods of higher quality. The first is the establishment, with financial assistance from Government, of combined bleaching, dyeing and printing works at Bombay. This recommendation is unanimous. The second, which is put forward by a majority of the Board, is for the payment, for a period of four years, of a bounty of one anna per pound, or its equivalent, on the production of yarn of 32s and higher counts, based on the output of an average of 15 per cent. of the total working spindleage in a mill. The cost of this bounty, including the cost of administration, is estimated to be about Rs. 39 lakhs per annum. The President of the Board (Mr. Noyce) dissents from this recommendation.

5. A majority of the Board has proposed that the import duty on cotton piecegoods should be increased from 11 to 15 per cent. for a period of three years. The primary object of this increase is to provide funds to meet the cost of the proposed bounty on the spinning of the finer counts, and of certain other proposals made by the Board, but it will also serve to reduce the rigour of the competition from Japan from which the industry suffers. No increase in the duty on yarn is recommended by the majority in view of the effect that such a measure might have on the hand-loom industry. The President of the Board (Mr. Noyce) does not consider that an all-round increase in the import duty on piecegoods can be justified, but has recommended that an additional duty of 4 per cent. should be imposed on all cotton manufactures, including yarn, imported from Japan for a period of three years.

6. The Board has proposed several other measures for the assistance of the industry by Government. Most of these are under separate consideration, and only one can be mentioned here. The Board has unanimously recommended the remission of the import duty

on cotton textile machinery and on certain mill stores for a period of three years, after which the question of continuing the remission would be considered in the light of the conditions then existing. The loss of customs revenue from this remission, according to the Board's estimate, is about Rs. 50 lakhs per annum.

7. Finally, the Board emphasises its view that the State aid and the changes in the tariff which it has proposed can, in themselves, prove no more than palliatives, and would indeed fail in their purpose if they did not succeed in stimulating and encouraging the industry to undertake reorganization and effect economies on the lines suggested.

Decisions of the Government of India.

8. The Government of India are unable to accept the recommendation of the majority of the Board that the spinning of the higher counts of yarn should be stimulated by the grant of a bounty. They are satisfied that the administrative difficulties in working a scheme of the kind proposed are insuperable, and they agree with the view expressed by the President of the Board (Mr. Noyce) that a long established industry, such as the cotton textile industry in Bombay, should need no stimulus at the cost of the general taxpayer, if such a development is in its own interest. As regards the proposal that Government should contribute towards the cost of establishing combined bleaching, dyeing and printing works in Bombay, the Government of India are unable to express any opinion until they have ascertained the views of the Local Government and of the cotton mill industry in Bombay and elsewhere.

9. The rejection of the proposed bounty on the spinning of the finer counts removes the principal reason advanced by the majority of the Tariff Board for a general increase in the import duty on cotton piecegoods. The Government of India are also satisfied that, on the facts as found by the Board, no case has been established for a general increase in the duty as a measure of protection.

10. The Government of India accept the finding of the Board that the advantage to Japan resulting from labour conditions in that country, until the amended Factory Law comes into full operation, in actual cost of manufacture may be assessed at about 4 per cent. on both yarn and cloth. In making this calculation, the Board has allowed for the fact that double shifts are universal in spinning mills in Japan, but not in weaving mills, in which the average hours worked are only 14·45 hours. But the majority of the Board omitted to make a corresponding allowance, when calculating the advantage if a reasonable return on capital is included. Hence the advantage to Japan, when calculated on this basis, should be 10 per cent on cloth, and not 12½ per cent as stated by the majority of the Board. It follows that the advantage to Japan, even if a reasonable return on capital is included, is already sufficiently covered by the existing revenue duty of 11 per cent. on cotton piecegoods. No additional duty on this account can, therefore, be justified. The existing revenue duty on yarn is only 5 per cent., and in this case, if the calculation of the majority is accepted, the advantage to the Japanese mills is not fully covered. But an additional duty on yarn only would affect prejudicially the handloom industry, and for this reason should not be imposed.

11. The removal of the import duty on machinery and on the materials of industry was recommended by the Fiscal Commission and is in accordance with the principle of the resolution adopted by the Legislative Assembly on the 16th February 1923, that the fiscal policy of the Government of India may legitimately be directed towards fostering the development of industries in India. In giving effect to this principle, as revenue considerations permit, the Government of India are prepared to give precedence to articles used chiefly by industries which are passing through a period of depression. But they would be unwilling to differentiate between industry and industry by allowing one industry to import free of duty articles on which other industries have to pay duty. The Government of India have decided, therefore, to deal on these lines with the recommendation of the Board that the import duty on cotton textile machinery and mill stores should be remitted for a period of three years.

12. The Government of India will introduce legislation at the next session of the Indian Legislature to remove altogether, with effect from the 1st October 1927, the duties on the following articles:—

All machinery and component parts of machinery as defined in items Nos. 51, 51A and 51B of the Import Tariff Schedule (Schedule II to the Indian Tariff Act, 1894);
Aniline and alizarine dyes;
Bleaching powder and paste;
Farina;
China clay;
Sago flour;
Magnesium chloride;
Starch;
Tallow; and
Cotton ropes.

It is estimated that the consequent loss of customs revenue will be Rs. 45 lakhs in 1927-28 and Rs. 85 lakhs in a full year. The removal of the duty on machinery is subject to the proviso that it may be necessary to reimpose an import duty on particular kinds of machinery, if it appears, on a report by the Tariff Board, that it is desirable to encourage the manufacture in India of such machinery and that a protective duty is required for that purpose, or that the imposition of a duty is necessary in order to secure equality of tariff treatment and remove a handicap under which the manufacture of such machinery in India would otherwise suffer.

13. The remaining recommendations of the Board, in so far as they concern the Government of India, are under consideration.

G. L. CORBETT,

Secretary to the Government of India.

Extract from the "Times of India" dated 10th December 1927 regarding an interview granted by the Chairman to a representative of the "Times of India."

PLIGHT OF MILL INDUSTRY.

Tariff Board Recommendations carried out.

Not very much has been heard lately about the steps which the Bombay Millowners have taken to carry out or inquire into the proposals made by the Tariff Board. A representative of this paper has, however, been able to obtain the following statement from Mr. H. P. Mody, Chairman of the Bombay Millowners' Association.

You ask me, said Mr. Mody, what the Millowners are doing in regard to the main recommendations and suggestions made by the Tariff Board to improve the position of the industry. You will appreciate the fact that without a definite mandate from the Association, I am unable to speak as fully as I could wish on this topic of general interest, but I am in a position to assure you that every suggestion which has been made by the Tariff Board is receiving the Association's most careful consideration. In times of depression, such as the industry has experienced during the last four or five years, it is common for the management to be accused of inefficiency from irresponsible quarters, and it is consoling to note that the Tariff Board has given, on the whole, an effective reply to the groundless criticism which was brought against the millowners, and that the opinions of the Tariff Board were amply endorsed by the delegation from the International Federation of Textile Workers headed by the Rt. Hon. Tom Shaw, M.P., which recently visited this country.

This is what Mr. Tom Shaw says in his report :—

> " Taking the factories from the point of view of height of the rooms, space, and ventilation, they are at least equal to the factories of Europe. The machinery is, with very few exceptions, of the latest and most up-to-date type, and, whilst there was abundant evidence that—taken generally—European conditions were not being reached, we saw many concerns, where, in every respect, the conditions were fully equal to the best European mills. The classes of goods made, too, were a revelation. I venture to say that none of the delegates thought that technical development had gone so far as it has done in India. Many of the manufacturing processes were fully equal to European standards, and in some cases the variety of yarns spun and cloths woven, dyed, and finished showed a range and variety which is probably not equalled by any individual European concern."

Mr. Shaw's words, by the way, constitute a fitting answer to the suggestion made by the Tariff Board that greater diversification of production would naturally assist the industry in Bombay. In a separate report made by Messrs. Hindle and Brothers, two other members of the Shaw Delegation, it is stated :—" Taken as a whole, the mills in India compare favourably as regards building construction, modern machinery, and up-to-date labour-saving devices with the mills in Lancashire."

Tariff Board's Suggestions.

These two observations made by practical men with a life-time's experience of the cotton industry in Lancashire should, said Mr. Mody, effectively dispose of any impression lingering in the mind of the public that the Bombay industry is in any way behind the times in the adoption of up-to-date machinery, labour-saving devices and the efficiency of its management. It is certainly true that the Tariff Board made a number of important suggestions and recommendations the adoption of which, in their opinion, would materially improve the position of the industry and during the last six months the Committee of the Association has devoted a great deal of time to their consideration. Some of the suggestions such as wages standardization, the payment of spinners and workers in the preparatory departments on a piecework basis instead of the time basis, the removal of the disparity in the earnings of workpeople in various departments, are obviously problems which cannot be equitably solved by a stroke of the pen. But it will be of interest to the general public to know that each of the questions is being considered by expert sub-committees and, in addition a great amount of experimental work is already being done in individual mills to test the feasibility of adopting the Tariff Board's recommendations in these directions.

Some progress has been made in respect of the Tariff Board's recommendation that the number of operatives in various departments should be reduced by putting one workman in charge of more than one machine, or of more spindles. My Committee are agreed as to the value of this important suggestion, which is calculated both to increase the workers' earnings and to reduce manufacturing costs, but progress must necessarily be slow, as has been abundantly proved by the recent unfortunate strikes in a couple of mills which followed an attempt to introduce the three and four loom system, despite the fact that by standardization and the adoption of every possible labour-saving device the work on four looms was considerably less than it formerly was on two looms in the same mills.

The Export Trade.

The Board, as is well known, recommended the Government of India to appoint a Trade Mission to visit different countries to investigate the possibilities of developing the export trade in piecegoods and yarn. This suggestion was made by the Tariff Board subject to the condition that the Bombay Millowners' Association should first appoint a strong sub-committee whose sole function should be to deal with matters connected with the export trade, and with which Trade Commissioners, when and if appointed, would be in close touch. Even before the publication of the Tariff Board report, the sub-committee which the Tariff

Board recommended was already in existence, and during the last year has collected much valuable information which has been passed on to members of the Association with beneficial results. The Association are in entire agreement with both the Government of India and the Tariff Board as to the desirability of increasing the volume of the export trade, and, if proof were needed, it is to be found in the fact that they have decided to release the Secretary of the Association for service upon the mission which the Government of India will shortly send out in accordance with the Tariff Board's recommendation.

Action upon the Tariff Board's recommendations has also been taken in many other directions, among which may be mentioned those relating to hedge contracts, the desirability of a reduction in the charge for water, and the need for a reduction in the town duty on cotton. The case for a reduction in the number of hedge contracts has again been placed before the East India Cotton Association, the Municipality have been addressed as to the need for a still further reduction in the water tax, and a strong representation has been made to the Government of Bombay, which they are still considering, for a reduction of the town duty on cotton to 8 annas per bale as recommended by the Board. The suggestions made by the Board in regard to trade schools, vernacular text-books, apprentice courses and technical education are at the moment being investigated by a joint sub-committee of the Association and the Board of Management of the Victoria Jubilee Technical Institute and their joint proposals will probably be submitted to Government at a very early date.

Other Proposals Unsuitable.

In paragraph 62 of the Tariff Board report, it is indicated that the fixation of a definite period of rest to enable operatives to take their morning meal would be desirable. In this connection it might be noted that an attempt to introduce it was made as far back as 1921 but was unsuccessful owing to the workpeople themselves. In view of the Tariff Board's suggestion the question is again being considered.

Certain other suggestions which have been made by the Board have not been favourably considered for the reason that they would not prove beneficial to the industry and would be likely to have results contrary to the Tariff Board's anticipation. For example, the suggestion that a number of spare hands should be engaged in each department to compensate for the daily absenteeism : the adoption of such a system would not decrease absenteeism and might possibly prove an incentive to slackness and inefficiency. Again, the Tariff Board express their opposition to the system of fining and the practice of compelling weavers to take over cloth spoilt by defective workmanship. Some months ago the Labour Office, with the active assistance of the Association, undertook a very exhaustive inquiry into the system of fining prevailing in Bombay mills and reached the conclusion that fines formed an infinitesimal percentage of the total wage bill and emphasised the strictly disciplinary nature of the fines imposed. With reference to the system of compelling weavers to take over damaged cloth, inquiries have shown that this system is preferred to fining owing to the fact that the workers generally manage to sell the damaged cloth in the bazaar at a price equal to that charged against them by the mills.

Cost of Fuel.

Another conclusion of importance which was arrived at by the Board and with which the Committee are inclined to disagree is that made in paragraph 56, where it is stated that no economies in the cost of fuel and power appear to be possible in Bombay. As regards coal, the Association is of opinion that the price could be appreciably reduced if freights were lowered, and, in collaboration with the Indian Mining Association, the Indian Mining Federation and the Ahmedabad Millowners' Association, several representations have been made to the Government of India with that end in view. Hitherto, little success has attended these efforts, but, with such a consensus of commercial opinion in favour, it may be expected that some reduction in freights will eventually be made. The question of the charges for electric power is also receiving the attention of the Committee and a great deal of material has been collected regarding the costs of various types of power.

Position Most Precarious.

I cannot refer in detail to every suggestion which has been considered, or given effect to but, concluded Mr. Mody, I think that I have said enough to show the strenuous efforts which the Millowners are making to save a great national industry. In spite of all these efforts, however, the position is most precarious: in 1924, 1925 and 1926 the industry lost, in all, more than Rs. 7 crores. I leave it to the public to consider the appalling significance of these figures. The year 1927 will show somewhat better results owing to the purely adventitious profit caused by a considerable rise in cotton prices after mills had made their purchases for the year, but I doubt whether a single mill in Bombay has made a genuine manufacturing profit, by which I mean that cloth and yarn made from cotton bought at the day's prices could not be sold except at a loss. The position in regard to yarn seems practically hopeless, more than 20 per cent. of our spindles are stopped, and the recent heavy importations of yarn of low counts make one wonder what the position would have been if the duty had not been increased. Stocks of both cloth and yarn are increasing, the price of cotton remains high and prices of yarn and cloth are on the down grade.

In such circumstances, it is my conviction that in the absence of effective help from Government, the position of the industry in the coming year will be far from satisfactory.

APPENDIX 5.

PROCEEDINGS OF THE ALL-INDIA CONFERENCE OF MILLOWNERS HELD ON THE 20TH JUNE 1927.

A Conference of millowners and other representatives of the cotton textile industry of India was held under the auspices of the Bombay Millowners' Association in the Association's rooms on Monday, the 20th June 1927, to protest against the Government of India's decision not to give the industry even the meagre protection recommended by the majority or the minority of the special Cotton Textile Tariff Board set up by Government themselves, and to adopt measures calculated to convince the Government of India of the imperative necessity of granting effective protection to India's greatest national industry.

The meeting was attended by:—

H. P. MODY, ESQ. F. STONES, ESQ., O.B.E. THE HON'BLE SIR DINSHAW E. WACHA, KT. SIR FAZULBHOY CURRIMBHOY, KT., C.B.E. THE HON'BLE SIR MUNMOHANDAS RAMJI, KT. A. GEDDIS, ESQ. THE HON'BLE MR. RATANSI D. MORARJI. N. B. SAKLATVALA, ESQ., C.I.E. S. D. SAKLATVALA, ESQ. H. H. LAKIN, ESQ. D. F. BATLIWALA, ESQ. F. F. STILEMAN, ESQ. MADHAVJI D. THACKERSEY, ESQ. LALJI NARANJI, ESQ., M.L.C. J. B. PETIT, ESQ., M.L.C. H. S. CAPTAIN, ESQ. H. F. COMMISSARIAT, ESQ.	Committee of the Bombay Millowners' Association.
BOMANJI ADURJI, ESQ.	The Bombay Dyeing & Mfg. Co., Ltd.
THE HON'BLE SIR P. C. SETHNA	The Assur Veerji Mills & Sir Shapurji Broacha Mills Ld.
A. J. RAYMOND, ESQ. ALBERT RAYMOND, ESQ.	The E. D. Sassoon United Mills, Ltd., Bombay. The Meyer Sassoon Mills Co., Ltd., Bombay. The Edward Sassoon Mills, Ltd., Bombay. The Elphinstone S. & W. Co., Ltd. The Apollo Mills, Ltd., Bombay. The David Mills Co., Ltd., Bombay.
NAROTTAM MORARJI, ESQ. SANTIKUMAR N. MORARJI, ESQ.	The Morarji Goculdas S. & W. Co., Ltd., Bombay. The Sholapoor S. & W. Co., Ltd., Bombay.

D. J. Registrar, Esq.	The Berar Mfg. Co., Ltd., Badnera. The Model Mills, Ltd., Nagpur.
A. P. Sabavala, Esq.	The Coorla S. & W. Co., Ltd., Bombay.
Kaikobad Cawasji Dinshaw, Esq.	The Burhanpur Tapti Mills, Ltd., Burhanpur.
T. Baddeley, Esq., and P. Ridsdale, Esq.	The Simplex Mills, Ltd., Bombay.
Hargovindas Jamnadas Ramji, Esq.	The Hindustan S. & W. Co., Ltd., Bombay. The Western India S. & W. Co., Ltd., Bombay. The Indian Manufacturing Co., Ltd. The New Kaiser-i-Hind S. & W. Co., Ltd.
Damodher Govindji Madhowji, Esq. S. H. Kadwa, Esq.	The Crown Spinning and Manufacturing Co., Ltd., Bombay. The Khandeish Spinning and Wvg. Mills, Ltd.
Cowasji Cursetji Dalal, Esq.	The Jamshri Ranjitsinghji, Spg. & Wvg. Co., Ltd.
V. N. Chandavarkar, Esq.	The Mysore Spinning and Weaving Mills Ltd., Mysore. The Minerva Mills, Ltd., Mysore.
Ahmed F. Currimbhoy, Esq.	The Bradbury Mills, Ltd., Bombay. The Crescent Mills Co., Ltd., Bombay. The Currimbhoy Mills Co., Ltd., Bombay. The Ebrahimbhoy Pabaney Mills, Ltd., Bombay. The Fazulbhoy Mills, Ltd., Bombay. The Indian Bleaching, Dyeing and Printing Works, Ltd. The Indore Malwa United Mills, Ltd., Indore. The Kastoorchand Mills Co., Ltd., Bombay. The Madhorao Scindia Mills, Ltd., Bombay. The Mathradas Mills, Ltd., Bombay. The Pearl Mills, Ltd., Bombay. The Premier Mills, Ltd., Bombay.
S. Wood., Esq.	The Union Mills, Ltd., Bombay. The Sassoon S. & W. Coy., Ltd., Bombay. The Sassoon Alliance and Silk Mills Coy., Ltd., Bombay.
W. Walker, Esq.	The Globe Mfg. Co., Ltd., Bombay.
Morarji M. Khatau, Esq., & Dharamsi M. Khatau.	The Khatau Makanji Spg. & Wvg. Co., Ltd., Bombay.
Sheth Chamanlal G. Parekh. Sheth Sakarlal Balabhai. Sheth Ramanlal Lalubhai. H. K. Dixit, Esq. G. I. Patel, Esq. Sheth Bhogilal Balabhai. Sheth Narsidas Jeykisondas. P. N. Vakil, Esq. G. R. Rele, Esq. N. M. Mafatlal, Esq. B. Mafatlal, Esq. G. Pundit, Esq. H. E. Mehta, Esq.	Representing 49 mills in Ahmedabad District and four mills outside Ahmedabad.
Sheth Chandulal Keshavlal. Sheth Ishwarlal C. Javeriluxmichand. Sheth Devidas Hurgovindas Shah. Sheth Chimanlal Samalbecher.	Representing the Baroda Millowners' Association and ten mills in Baroda State.
Sunderlal Dalal, Esq.	The Delhi Factory-owners' Federation and two mills in Delhi.
E. Holden, Esq.	The Kaleeswarar S. & W. Co., Ltd. The Malabar Spinning and Weaving Co., Ltd.
R. M. Bhut, Esq.	The Surat Spinning and Weaving Company, Ltd., Surat.
N. N. Dondh, Esq.	The Sri Rangavilas S. & W. Co., Ltd.
K. N. C. Patuck, Esq.	The Coimbatore Mall Mills, Ltd. The Coimbatore Spinning and Weaving Co., Ltd.
Fozdar, Esq.	The Tinnevelly Textiles, Limited, Tinnevelly.

The Upper India Chamber of Commerce, representing about 8 or 9 mills in Northern India, wired as below :—

"Your 983/115 eleventh. Regret shortage of notice and season of year render attendance delegates from this Chamber to meeting twentieth impossible. Cotton interests here sympathise with purpose of meeting and favour raising cotton piecegoods import duty to 15 per cent. equalising general rate other textiles."

Sir Sarupchand Hukhamchand, Kt., representing 3 mills in Indore, wired as below:—

"Thanks for your kind invitation. Regret inability to attend owing to important previous engagements on twentieth fixed without knowledge of your invitation. Conference has my full sympathy and support regarding reversal of Government's decision on Tariff Board's report. Tariff Board's recommendations are by themselves very meagre and Government should have at least accepted them in order to save the staple and national industry of India which is mainly groaning under foreign competition and one-sided manipulation of exchange."

Messrs. T. Stanes & Co., Agents, the Coimbatore Mall Mills, Limited, and the Coimbatore Spinning and Weaving Co., Ltd., besides sending a representative to attend the meeting on their behalf, wrote as below:—

"We have deputed Mr. K. N. C. Patuck to represent us at the proposed meeting of millowners on the question of tariffs. Both our boards, namely, the Directors of the Coimbatore Spinning and Weaving Co., Ltd., and the Directors of the Mall Mills Co., Ltd., are unanimous in their desire to support your action, feeling that Government have not acted in a manner that is consistent with the appointment of a Commission. We feel that our action would be backed up by the Indian millowners in Coimbatore."

On the motion of the Hon'ble SIR DINSHAW E. WACHA seconded by MR. P. N. VAKIL (Ahmedabad) MR. H. P. Mody, the Chairman of the Bombay Millowners' Association, was elected to the Chair.

MR. H. P. MODY, after taking the Chair, moved the first resolution which was as below:—

"This Conference of Representatives of Cotton Spinning and Weaving Mills from every part of India, while recognizing the patient and conscientious way in which the Tariff Board conducted their enquiry, expresses its disappointment at the meagre character of their recommendations which fail to take into sufficient account the various difficulties and disabilities from which the industry has been suffering, and which called for a more adequate measure of protection than the Tariff Board have thought fit to recommend;

"This Conference considers that the true economic interests of the country have been sacrificed and the welfare of the Cotton Textile Industry and those dependent on it has been seriously jeopardised by the unjust decisions of the Government of India which entirely fail to protect the industry against unfair competition. This Conference maintains that the reasons advanced by Government for withholding protection are absolutely untenable and strongly urges upon Government the desirability of an immediate reconsideration of their decisions and the grant of adequate protection to the textile industry of the country."

Speaking on the resolution, MR. MODY said:—

"Gentlemen,—I have to thank you on behalf of my Committee for the ready way in which, in spite of the shortness of the notice, you have responded to the invitation to attend this Conference. We are met here to-day to consider the situation arising out of the decisions of the Government of India on the Tariff Board report, and for taking concerted action for the protection of our common interests. We have never known such a large and representative gathering as we see to-day and it shows alike the identity of interests between every section and centre of the industry and the strength of feeling which exists over the grave wrong done to it by the decisions of the Government of India.

"As you are aware, the Government of India deliberated for over four months on the report of the Tariff Board and when at the end of May, the promised publication did not come about, my Committee wired to the Commerce Department expressing surprise at the delay and urging Government to let us have an indication of their difficulties. No reply

was vouchsafed to this telegram but some days later an announcement of the date of publication was made in a cable from London. It is note worthy that while we had to look for the report and the Government's decisions thereon in the newspapers in the same way as every one else, people in Lancashire and Delhi as presumably the parties most interested in the matter, appear to have known them a day earlier.

"Gentlemen, the decisions that have been arrived at are typical of the way in which we have been treated all along in this business. A more casual and indifferent treatment of a grave problem I have never known. After continually pressing on us the necessity of going before the Tariff Board—it was only when our demand for an *ad hoc* enquiry was repeatedly turned down that we decided to adopt that course—Government in their wisdom have dismissed in three brief paragraphs all the major recommendations of an authoritative body set up by themselves. One would have thought that very powerful reasons must exist for decisions so contrary to the assurances given to us and so greatly at variance with all canons of fairplay. If any such reasons exist, they do not appear in the Government *communique*. All that the *communique* does is to misread important findings and recommendations, to set up the majority and the minority reports against each other and to dismiss the whole subject in a few casual sentences much as if Government were disposing of the question of a grant for a village well. The majority recommendation for a bounty on yarn is rejected for reasons given in the minority report ; the minority recommendation for an additional duty on yarn is turned down because, according to the majority, the handloom industry would be affected thereby, and the recommendations of both the majority and minority with regard to an increase in the import duty on cloth are dismissed because of the monumental discovery that a 11 per cent. duty already exists which makes any further protection unnecessary. Such a treatment of a subject so vitally affecting the greatest national industry of the country can only come from a Government which was secure in the belief that it could defy public opinion with impunity and disregard national interests at will. It is a matter of keen disappointment to us that so high-minded a Viceroy as Lord Irwin should have been a party to such decisions, but we trust that when His Excellency realizes the strength of our case and the seriousness of the situation, he will not allow any false notions of prestige to deter him from doing the right thing.

"Gentlemen, what is the remedy before us ? It is to bring together all our resources and to educate public opinion so that a united demand may go forth for the righting of this wrong, such as would compel Government to reconsider the position they have taken up. A great deal of nonsense has been talked in the last two or three years, about the cry for protection being only an isolated demand of the industry in Bombay, and that the rest of India did not either need or desire any relief against the present conditions. The proceedings before the Tariff Board and this representative meeting are a sufficient answer to such theorisings, which fail besides to take into account the vital fact that no section of an organized industry can fail to be affected in the long run by the difficulties of any other section of that industry. It is for these reasons that the mill industry throughout India, barring a few concerns which stand in a specially favoured position, stands together to-day to demand that justice shall be done to the industry, and that it shall not be placed at the mercy of foreign competitors enjoying unfair advantages. Let us not forget that it was even more than the undoubted justice of our case, the persistence of our efforts and the force of public opinion in the country that ultimately led to the removal of the excise duty.

"In this connection, may I appeal to the Press and the leaders of thought throughout the country to lay aside all petty differences and lend their whole-hearted support to us if they are satisfied that right is on our side and that anything that hits the mill industry hits the vital interests of the country ? Whatever be our shortcomings—and we do not claim perfection any more than any other organisation of like dimensions can—I ask our critics to remember the notable contributions of the industry to the progress and well-being of the country. The findings of the Tariff Board are a striking vindication, on the whole, of the internal management of the industry, and came as a rude shock to many of its persistent critics. Sir Charles Innes on one occasion thought fit to remark that "the reason why the millowners so dislike the idea of an enquiry into the conditions of their industry may be thought to be that they are not altogether satisfied that the result of that enquiry would be entirely creditable to that industry." Now that the unexpected has happened, confounding

our detractors and driving them to fresh points of attack, I ask the Press and the public in India to drop all minor issues, and stand resolutely for the interests of our greatest national industry. At a time when the industrial development of India is still in its infancy, the mill industry has demonstrated what Indian enterprise and capacity can achieve, and I confidently hope that in the struggle we are waging we may count on the support of every man who has the welfare of the country at heart. I do not think any assurance is needed that the various suggestions made by the Tariff Board for the improvement of our organization will receive our most careful consideration, and that due weight will be given to the recommendations of a body of men who for many long months applied themselves conscientiously to the task of investigating the conditions of the industry, and finding out the causes of the present depression.

"One word to the Government. The conviction is growing that the Department of Commerce and Industries exists for every purpose but that of serving the commerce and industries of India. Do Government realize that by the policy they have been pursuing they are alienating completely the sympathy and support of all those elements in society which stand for progress and good government ? Do they know they are losing the goodwill of those classes which in every country form the strongest bulwark of constitutional Government ? If Government realize these things, I hope they will have the courage to retrace their steps and to identify themselves with the true interests of the mill industry and the country at large."

SHETH CHAMANLAL G. PAREKH, the President of the Ahmedabad Millowners' Association, in seconding the resolution, said :—

"Mr. Chairman and Gentlemen,—I rise to support the resolution put to you from the Chair. The main points have already been clearly outlined by the mover of the resolution, and I have not much to add. Our industry has been passing through a long period of depression since 1923 and though we have been anxiously waiting for a turn of the tide the change for the better has not been experienced. On the contrary the industry has been driven to the wall. We have passed through times of great troubles and worries, and as you are aware, the Government last year desired us to establish our claim for protection before the Tariff Board—a body of experts of their own selection. After labours extending over one year during which time the crisis in the industry has grown alarming and acute, the recommendations of the Board, though much below our expectations, ought not to have been rejected at a stroke by the Government of India. I trust the acute feeling which prevails among us all will bring about an early reversion of Government's decisions and that the united voice of this All-India Conference of Millowners will be effective."

The resolution was further supported by MR. A. GEDDIS (Bombay Millowners' Association) who said :—

"I rise to support the resolution but I do not think there is much I can add to what has already been said. Our Chairman and Mr. Chamanlal Parekh have gone thoroughly into the position and I can only endorse their remarks. To me the position is an amazing one. Here we have what is really the only large industry in India which has been built up by Indian capital, Indian enterprise and Indian labour facing ruin. Facing ruin, gentlemen, not through its own fault but gradually brought there by unfair means. Here, on the other hand, we have a Government intended, like all other Governments, to rule for the good of the country, who sets up its own tribunal to decide whether the industry is or is not being ruined by unfair means and who when that tribunal decides that the industry is being ruined by unfair means makes a reply which amounts to ' Then let it be ruined.'

"Have we as an industry, has the Bombay Presidency, has India as a whole to accept this verdict of ' let it be ruined ' as the last word ? Surely not.

"Some few months ago I was proclaimed a pessimist because I stated at the annual meeting of the Millowners' Association that the outlook for the mill industry for the year was not so gloomy as it had been 12 months previous. As a matter of fact when I made that statement I am afraid I was carried away on a wave of optimism. To-day I say that the

prospects are thoroughly bad and I make this statement with knowledge and all seriousness. At the same meeting I stated that the chief handicaps of the mill industry were exchange, unfair competition, and expensive and inefficient labour and I added that there was no imaginable management in this world that could overcome those handicaps. The Tariff Board has recommended a duty of 4 % to combat with the first two difficulties but small as that assistance is the Government has refused to grant it. Do the citizens of Bombay realize what this means? Do not let them be misled by talk of the difficulties being got over if the millowners would put their house in order—an overworked and stupid phrase—or that the difficulties can be got over by the adoption of the suggestions of the Tariff Board, which nevertheless are welcome. Do not let them be misled into the belief that the mill industry can work out its own salvation by overcoming the unfair handicaps thrust upon it, because the hard fact has to be faced that it cannot do so. I then would repeat: Do citizens of Bombay realize what this means?

"I surely do not need to dilate on the effect on Bombay City of the mill industry being allowed to decay until it gradually becomes a thing of no importance. The ruin of the mill industry means the ruin of Bombay City and therefore I say, Are the citizens going to accept this 'let it be ruined' verdict without a struggle. To the country as a whole the mill industry is appealing and when it is realized that not only the existence of the mill industry of which Indians have every right to be proud is at stake but the future of Bombay City is in jeopardy I cannot but think that the country will take every step in its power to prevent such a calamity."

On being put to the vote, the resolution was carried unanimously.

MR. F. STONES of the Bombay Millowners' Association, in moving the next resolution, said :—

" Gentlemen,—It gives me great pleasure to move the following Resolution :—

> " ' This Conference hereby approves and adopts the representation to the Government of India presented for its consideration.'

"In view of the urgency of the matter and the short time at our disposal, I propose to briefly summarise the representation now before you. I also wish to emphasize that the representation is made on Resolution No. 341-T, dated 7th June, in which the Government of India summarise, in their own peculiar manner, the findings of the Tariff Board and make known to the world, after four months' deliberations, their decisions on same.

" After expressing our profound disappointment and amazement at Government's decisions, we state that the industry will examine in detail the practicability of, and give careful consideration to, every suggestion and recommendation made by the Board. This, incidentally, in spite of the fact that the Government themselves have refused to act on any of the findings of the Tariff Board other than a very small section.

"The full history of the discussions with Government, leading up to the appointment of the Tariff Board, is then discussed progressively from February 1924 onwards, and it is shown that the correspondence between the Bombay Millowners' Association and the Government was in the nature of an assurance to the industry that if a case for protection was established by the Tariff Board, the Government would be prepared to act on the Board's findings.

"We then advance arguments showing that the Tariff Board had definitely considered the 11% existing revenue duty during the whole course of their deliberations, and quote from page 175 of the report in support of this. This quotation reads as follows and is a point on which both the majority and minority recommendations agree, the only difference being in the method of apportioning the protection recommended :—

> " ' We are agreed that *in addition* to the protection afforded by the present import duty of 5 per cent. on yarn and 11 per cent. on cloth, a moderate measure of protection can be justified for such period as the labour conditions in Japan continue inferior to those in India.'

" The findings of the Tariff Board are examined separately for yarn and cloth and we point out, without going into great detail, that the Government agree that yarn is suffering from unfair competition, with an additional handicap on the grounds of exchange, but regret that the Government of India have rejected both of the remedies proposed by the Board without offering its equivalent in any shape or form.

" We express our surprise that Government cannot find a working scheme for bounties, after the experience they had in devising machinery to levy excise duty on a multitude of varieties of cloth. We point out that rejection of both proposals by Government is unsound on the grounds that the destruction of the spinning section of the indigenous industry will be fraught with more danger to the consumer than the imposition of a small duty. In the case of cloth, we reiterate that the Tariff Board considered the existence of the 11% duty in deciding that the Indian textile industry is at a disadvantage of 4% or 10% as compared with Japan and in further support of this, quote from a minute of dissent by the President of the Board.

" We also point out to the Government of India that their decision is grossly unfair as it persists in a policy which gives to Japan a 10% preference over any other importing country and that due to admittedly inferior working conditions.

" We next call attention to three statements of the official text of the resolution which we submit can only be construed as wilfully misleading. In the first place the Government state that the primary object of the increase in duties on cotton cloth recommended by the majority of the Board was to provide the funds necessary for a bounty on the spinning of finer counts. That this statement does not convey a true idea of the facts is clear from the following extract from page 177 of the report where it is stated :—

> " ' The fourth method which the majority of us favour is, therefore, that of an addition to the present *ad valorem* duty of 11% on all cotton manufactures other than yarn. Such a duty has, in our view, four great advantages. In the first place it gives protection against unfair competition. In the second it avoids complications arising from discrimination against particular countries. In the third, it enables funds to be found to give a definite stimulus to the development of the industry on the lines we have considered desirable, and lastly, it obviates the necessity for certificates of origin which would be necessary to ensure that the goods of foreign origin are not passed off as goods from any part of the Empire.'

" The second misstatement is where Government mention that the present depression is partly due to competition from Japan, whereas the real finding of the Board was that the present depression is ' partly due to Unfair Competition from Japan.'

" The third statement of the Government to which we object as misleading is as follows :—

> " ' In regard to imports from all countries other than Japan the Board has found there has been no change to the disadvantage of India as compared with the pre-war position.'

" The majority of the Board explicitly state that an undoubted temporary handicap has been imposed on the industry by the stabilisation of the rupee at 1*s.* 6*d.* as stated on page 174 of the report.

" The representation finally urges a reconsideration of their main decision by the Government of India on the grounds that the present decision is not only in direct contradiction to the findings of the Tariff Board, but is also not in conformity with the assurances given to the industry by Government from time to time.

" In asking your support to this resolution on our joint representation to Government, containing as it does a broad statement of the facts showing the wrong done to the industry by the decision of the Government of India, I wish to raise only one point more. Endeavours

are being made in many quarters to impress upon the country that it is only Bombay that is affected by this admittedly unfair Japanese competition. This, in spite of the fact that there are estimated to be over 30 mills closed in India—the vast majority of which are outside Bombay.

"While it is true that the pressure of goods produced under admittedly unfair conditions in Japan is felt most intensely in Bombay, I do wish to emphasize that the reduction in prices in Bombay goods, due to this pressure, is bound to depreciate prices in the up-country markets in proportion, and if unchecked, ultimately lead to the weakening of the resources of up-country mills. The attitude of the Government of India and its consequences are therefore an all-India problem and I have great pleasure in moving the adoption of this resolution."

SIR FAZULBHOY CURRIMBHOY, Kt., C.B.E., of the Bombay Millowners' Association, in seconding the resolution, said :—

"Mr. Chairman and Gentlemen,—I beg to second the second resolution. It is, I believe, the first time in the history of the textile industry of India, that millowners from all parts of the country have assembled for the object of registering a unanimous protest against a decision of the Government. It is a unique gathering and as such is entitled to serious attention. It is painful to see that the Government of India have so summarily dismissed the recommendations of the Board, and that considerations other than the country's interests have weighed with them. After all, what was it that we wanted ? It was nothing more than just such protection as might help us to stand against unfair competition. It is painfully evident that the Government treat our industry in a step-motherly fashion, and all considerations of the barest justice and fairplay are conveniently set aside. It cannot be disputed for one moment that this industry is the backbone of the whole industrial life of India, and it is no exaggeration to say that the material prosperity of India and particularly of this Presidency depends in a large measure upon the prosperity of the textile industry. Will Government sit quietly aside and see the goose that lays the golden egg, mercilessly killed ?

"We have been a long-suffering community—for years and years together we had to struggle against a hard and unjust imposition in the shape of the excise duty. For years, our cry against it was the cry of one in the wilderness. We struggled manfully on, and at last this duty was removed. Then came the affair of the 1*s*. 6*d*. ratio which hits us so badly, and gives so much aid to our foreign competitors. No consideration of the claims of this industry seems to have any weight with the Government, and even the recommendations of their own appointed body are flouted. We earnestly hope and trust that the representation that we are sending to His Excellency the Viceroy will lead him sympathetically to reconsider our case, and to revise the decisions of the Government on the principal recommendations of the Tariff Board. Our hope is in the Viceroy, who, we trust—a broad-minded statesman that he is—will not fail to judge impartially in this matter after carefully going into our grievances and will not allow any foreign interests and considerations to outweigh the legitimate demands of our industry. If the present state of the industry is allowed to continue, a most serious situation will arise and we earnestly appeal to Government to lay aside all other considerations, and to put into effect the recommendations made by the Board after such a complete and exhaustive inquiry. We have established our case for some measure of protection, and the Textile Tariff Board have affirmed the justice of our claim, and we trust that Government will now see their way to give us some protection against unfair competition, if not for all times, then at least till such time as we become strong enough to stand on our own legs again, as we have done in the past."

MR. DEVIDAS HARGOVINDAS SHAW of the Baroda Millowners' Association, in supporting the second resolution, said :—

"Mr. Chairman and Gentlemen,—I am sorry Mr. Kantavala has not been able to attend on behalf of our Association and say what he had to say on our behalf. You are aware, gentlemen, that the Tariff Board's report laid stress upon the fact that the Bombay section of the industry suffers more than any outside sections. What I wish to impress upon you, gentlemen, by joining this resolution, on behalf of the Baroda Millowners' Association,

is that not only the mofussil mills of the British Indian territory but even those of foreign States like Baroda and others are of the belief that they are in the same boat with you. We of the Baroda Millowners' Association hold that anything that is going to make or mar the fortunes of the cotton textile industry in British India will make or mar those of the Indian States also. It is solely to impress this point on you that I stand here to speak on behalf of my Association, and it is chiefly for this reason that I have so much pleasure in supporting this resolution."

MR. JEHANGIR BOMANJI PETIT of the Bombay Millowners' Association, in further supporting the resolution, said :—

"Mr. Chairman and Gentlemen,—I have very great pleasure in further supporting this resolution. When on this subject, Mr. President, it is exceedingly difficult to speak with moderation and restraint. The Tariff Board itself made recommendations which are exceedingly halting and meagre, and the Government's resolution thereon is in the nature of an insult to our industry and an outrage upon the sentiments of the country. Government have deliberately ignored the decisions so carefully thought out by a Board of their own creation and have chosen to take up an attitude to which, going to Roman history, the picture of Nero fiddling when Rome was burning is, perhaps, the nearest parallel. It is unfortunate in the extreme and is absolutely unworthy of a great and civilized Government. But, sir, it is for the people and people alone to redress the situation, and I have no doubt in my mind that if the Legislative Assembly and the people of this country are determined to redress these grievances, it will not be long before they are able to do so, for, no Government, however autocratic, however powerful, can long, and deliberately and successfully maintain the position that the present Government has adopted. If the Government in the United Kingdom had taken up a similar position in the face of a situation of this kind—of a crisis such as faces the mill industry of this country—the Government would have been swept off its feet. It is probably in this country alone among civilized nations that the Government is able deliberately to flout public opinion. I, therefore, hope that this meeting will unanimously adopt the representation prepared by the Committee of this Association and take the first important step in the redress of the grievances of the Indian cotton textile industry."

The resolution on being put to the vote was carried unanimously.

MR. N. B. SAKLATVALA, C.I.E., of the Bombay Millowners' Association, in proposing the third resolution, said :—

"Mr. Chairman and Gentlemen,—The resolution standing in my name reads as under :—

> "'This Conference urges upon the members of the Imperial Legislative Assembly and Council of State to do all in their power to secure for the industry a measure of protection adequate to the needs of the situation.'

"Public opinion, as it has been crystallised in the Press, has gone to support, in a full measure, all that we have been claiming and I am certain that the gentlemen who represent in the Legislature, the common voice of India, will have full sympathy for our case. I should like to read an interesting cutting which I have come across which puts a new complexion on the situation :—

> "'That the Bombay Millowners will be able to organise considerable public opinion in the Assembly on behalf of their several demands goes without saying, but the Government will be protected by the fact that this being a Money Bill no financial proposal can originate except from the Government benches. At the worst the Assembly can decline to admit textile machinery and mill stores free of duty, which, if carried, will only mean that the millowners will not get even the little proposed by the Tariff Board.'

"It almost suggests that Government are going to take protection under the right of this being a financial Bill and that they will not allow any member of the Legislature in any way to enhance the proposals they have made.

"I feel sure that in a position like this the millowners will not cut their noses to spite their faces. I hope Government will be sporting enough to stand aside and to let the members of the Assembly decide the case on its merits. I have been told by a prominent member in the Legislature that a private Bill can be brought in if Government so wishes. I am sure that gentlemen who are intimately connected with the industry like Sir Dinshaw Wacha, Sir Phiroze Sethna and Sir Purshottamdas Thakurdas will leave no stone unturned in this matter and in that way support our just cause."

MR. G. I. PATEL, M.L.C., of the Ahmedabad Millowners' Association, in seconding the resolution, said :—

"Mr. Chairman and Gentlemen,—I have great pleasure in seconding the resolution placed before you by Mr. Saklatvala. As we all know, our industry has been adversely affected on all sides for the last three years and when assistance was expected at the right time Government asked us to get our claim for protection examined by the Tariff Board. During the time the Tariff Board was recording evidence and preparing the report, the situation became still more critical. When the report was published after a period of great anxiety and suspense, at the beginning of this month, Government suddenly throw the majority and minority recommendations overboard. When we are in such difficulties on all sides the fight which we put up should also be from all corners. In the first place we should strongly express our disappointment to the Government for the cursory manner in which they have treated the matter of protection at a time when our industry is face to face with ruin and destruction.

"Secondly, we should be supported by strong public opinion because a national industry—the only really national industry of India—is on the verge of extinction. The custodians of national interests, I mean the representatives of the voice of the people in the Legislative Assembly and the Council of State, must fight tooth and nail to secure adequate protection for our industry on the existence of which so largely depends the prosperity and future progress of the country.

"Lastly, we have to be alive to the need of effecting still further economies in the internal administration of the industry so as to secure increased efficiency. I trust that by the exercise of these manifold efforts we shall secure for the industry the desired results. I hope you will all join me in according your whole-hearted support to this resolution."

The resolution was supported by MR. HOLDEN representing the Kaleeswarar Mills, Coimbatore, and Malabar Spinning and Weaving Co., Ltd., Kallai, Malabar, and MR. SUNDERLAL DALAL of the Delhi Factoryowners' Federation.

The resolution on being put to the vote was carried unanimously.

The HON'BLE SIR MUNMOHANDAS RAMJI, Kt., of the Bombay Millowners' Association, in moving the fourth resolution, said :—

"Mr. Chairman and Gentlemen,—I move :—

> "'That the Chairman of this Conference be authorized to send copies of the representation and the above resolutions to the Government of India, the Secretary of State for India-in-Council, the Government of Bombay, and all other Provincial Governments.'

"My resolution speaks for itself and does not require any comment from me, but I should like to say a few words, namely, that the staple industry of India—the cotton mill

industry—should aim to supply the whole of the needs of its own country in cotton textiles and export its surplus production to foreign markets. We are producing only about half the quantity of cloth that is consumed in India and the other half is supplied by other parts of the world. Our industry is dying and yet we are refused what is wanted for mere existence —let alone the future progress. I maintain that Government will be well advised to preserve this industry and do what they can for the thriving of this industry. With these few words, I move the resolution."

The resolution was seconded by MR. H. K. DIXIT of the Ahmedabad Millowners' Association and was further supported by the HON'BLE MR. RATANSI D. MORARJI, who made the following speech :—

" We have to face a very serious situation created by the refusal of the Government of India to accept the recommendations of the Tariff Board to levy an extra import duty of 4 per cent. on foreign piecegoods. The delay even in the publication of the report was so prolonged as to rouse grave apprehensions, that there were difficulties somewhere in accepting the Board's conclusions. When I referred to this delay in my Budget speech in the Council of State in March last, Sir Basil Blackett interjected that the publication of the report would not help our case. There is little doubt in my mind that once more the point of view of Lancashire has been asserted regardless of the perils to which the Indian mill industry has thereby been exposed. The history of the perpetual conflict between these two interests is not new and dates back by half a century when the Manchester Chamber of Commerce sounded a note of alarm at the erection of cotton mills in Bombay. From the records of the Government of India and of the India Office may be cited the opinions of successive Viceroys supporting our contention that in this struggle the interests of the Indian industry have always been sacrificed. It is only after many years of persistent agitation that we have just been able to secure the repeal of the excise duty. But even after the introduction of the Reforms, Lancashire has attempted on several occasions to interfere with the right of the Government of India to direct the fiscal policy of this country. Some of you may remember Mr. Montagu's warning to a Lancashire deputation that the continuance of this attitude would be the surest way of nullifying the promise made to India that where the Government of India and the Legislature concurred in any fiscal matter the Secretary of State would not ordinarily interfere. After Mr. Montagu's resignation it has become increasingly clear that the promise no longer holds good. We are being drawn helplessly into the net of Imperial Preference. And now after a year of the pretence of an enquiry we are told in terms of cynical coldness that practically nothing can be done to save us from the dangers that threaten to overwhelm us. We, as millowners, must make a bold stand against this refusal of the Government to come to our rescue. If the Government will not help us in our struggle with a higher tariff, let us turn our attention to the country. Let us, as men with a stake in the country, take our places in a movement intended to assert India's right to manage her interests in her own way, and if it should include on its programme an intensive *swadeshi* propaganda and boycott of foreign cloth, I would not shrink from it."

The HON'BLE SIR PHIROZE SETHNA, in moving a hearty vote of thanks to the Chairman, said :—

"Gentlemen,—Before we separate, I propose that we give a very hearty vote of thanks to the Chairman. The Millowners' Association must regard it as a fortunate circumstance that they have Mr. Mody as their Chairman this year—the year when there is so much trouble in front of them. The manner in which Mr. Mody conducted to-day's proceedings shows that with the co-operation not only of his colleagues in the Committee of the Bombay Millowners, but with the co-operation from different bodies all over the country the industry will be able to achieve the success they want in fighting Government in this particular matter. I hope, gentlemen, you will carry this with acclamation."

After the vote of thanks was carried with acclamation, the Conference dispersed.

No. 1032/115 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *20th June*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

I have the honour to inform you that a Conference of representatives of the cotton mill industry in different parts of the country was held in the rooms of the Bombay Millowners' Association on Monday, 20th June 1927, when general agreement was expressed with this Association's telegram of 10th instant giving expression to the Millowners' profound disappointment and astonishment at Government's decisions on the Tariff Board's report, and the Conference decided to address this representation to Government commenting, in somewhat greater detail, on the arguments advanced by Government to support their decision to withhold even the slightest measure of protection to the cotton textile industry of this country.

2. The Conference propose to confine their observations to the decisions of the Government of India on the main recommendations, as, in their view, it is most essential to point out how untenable is the case set up by Government to support those decisions, but, at a later date, the Bombay Millowners' Association and other associations represented at the Conference will examine in detail the practicability of, and give careful consideration to, every suggestion and recommendation made by the Board.

3. As far back as February 1924, in a representation by the Bombay Millowners' Association urging the abolition of the Excise Duty, it was stated :—

> "My Committee in the most forcible terms at their command desire to impress upon the Government of India the absolute necessity of counteracting this unfair competition from Japan in the interests of the Indian Cotton Industry and the Indian people, and maintain that it is the duty of the Government to investigate fully the means which would best ensure preserving and eventually extending the Indian Cotton Mill Industry, which forms such a valuable asset to the economic stability of this country."

Subsequently, in September 1924, in the Legislative Assembly, Sir Charles Innes quoted certain statistics and stated that a *prima facie* case for protection had not been made out. In April 1925 when Sir Charles Innes visited the Bombay Millowners' Association, the Chairman again stressed the need for protection against the unfair and rapidly growing competition from Japan, but on that occasion also Government again contended that a *prima facie* case had not been made out. Eventually, after much correspondence and after interviews with the Hon. Member for Commerce and the Secretary, Commerce Department, a deputation waited on the then Viceroy, Lord Reading, to urge the abolition of the excise duty, and took the opportunity of impressing on His Lordship the intensity and unfairness of Japanese competition. Lord Reading, in the course of his reply, stated : " I am quite willing to believe, however, that the prices at which Japanese goods are being sold depress the prices which you can get for your own cloth, and I confess that I am impressed by what you tell me about the conditions of factory labour in Japan." The Viceroy then went on to suggest that the Tariff Board should " enquire into the conditions of the mill industry in India for the purpose of determining whether it was in need of protection, and, if so, what modifications were required in our cotton tariff duties ; whether on imports generally, or imports from particular countries." It was however found impossible to accept this suggestion until the iniquitous cotton excise duty had been abolished. After the excise duty had been suspended, however, in December 1925, the Bombay Millowners' Association requested an *ad hoc* enquiry to investigate the exact advantages enjoyed by the Japanese owing to their unfair labour conditions, with the view of obtaining for the industry a measure of protection equivalent to the advantages in cost of production which such labour conditions gave Japan. In reply to this request, the Government of India stated that they could not agree to an

enquiry on this one issue only and pressed the Association to accept a full and comprehensive investigation by the Tariff Board. In their letter, dated 26th March 1926, in which this suggestion was made, the Government of India agreed that a *prima facie* case for enquiry had been made out after all by the Association, but went on to say that steps for safeguarding the industry could not be taken " unless and until the necessity of that course was established by a comprehensive and impartial enquiry." The Conference maintain that this statement was in the nature of an assurance to the industry that if a case for protection was established before the Tariff Board, the Government would be prepared to act on the Board's findings. The Tariff Board has definitely endorsed the case of the Millowners in respect of the unfairness of the competition from Japan, and the Conference are astonished that Government should now attempt to avoid the implications of the various statements made by them from time to time, and take up an entirely different position which, in the Conference's opinion, was never previously contemplated or put forward.

4. The attitude taken up by Government that the 10 per cent. handicap to the Indian industry is more than covered by the 11 per cent. duty which already exists, the Conference maintain, is absolutely untenable. The unanimous finding of the Tariff Board is that the existing duties on yarn and cloth are insufficient for the purpose of protecting the industry (*vide* page 175 of the report where it is stated : " We are agreed that in addition to the protection afforded by the present import duty of 5 per cent. on yarn and 11 per cent. on cloth, a moderate measure of protection can be justified for such period as the labour conditions in Japan continue inferior to those in India").

5. The only difference between the minority and majority recommendations of the Tariff Board was in regard to the method of apportioning the meagre protection which they have recommended.

The Government of India ostensibly agree with the findings of the Tariff Board, but have rejected the remedy of a bounty proposed by the majority on the ground that it is unworkable and the additional duty of 4 per cent. recommended by the minority (10 per cent. if a fair return on capital is included) on the ground that it would adversely affect the interests of the handloom industry.

6. The Conference appreciate the solicitude evinced by Government for at least one section of the textile industry and maintain that the Government of India are not justified in summarily dismissing the recommendations of both the majority and the minority in the manner in which they have done in their resolution, without even suggesting any alternative which would give help to the spinning section of the industry to the extent at least to which the Tariff Board consider it entitled.

7. The case for a bounty on the production of yarn of counts above 32s has been very carefully explained in the majority report, and cannot be dismissed by a bare reference to administrative difficulties. If Government could devise machinery for levying an excise duty on a hundred and one different varieties of cloth, they should not find it impossible, with the resources the Government of India can command, to put into operation a scheme of bounties which the majority of the Board regard as feasible and essential for the purpose of protecting the industry. It is strange to find Government taking shelter in this matter behind the opinion of the President of the Board, whose conclusions with regard to an increase in the import duty on yarn, they had no hesitation in summarily dismissing.

The position taken up by the Government of India with regard to the minority recommendation for an increase in the import duty on yarn is equally unsound.

8. The Conference hold that the destruction of the spinning section of the indigenous cotton textile industry, which is threatened by the decision arrived at by the Government of India, will ultimately be to the disadvantage of the handloom industry of this country, as it will enable the Japanese to exploit the Indian yarn market and extract from the handloom weaver a far higher price for his yarn than he would have to pay if the spinning section of the industry was enabled to carry on at its full productive capacity by the grant to it of suitable assistance. For the past two or three years, the price at which Japanese yarn has

been sold in India has been low enough to force prices realized for Indian yarn not only to unremunerative levels, but even lower than the actual cost of production. The non-imposition of a duty on yarn, in the opinion of the Tariff Board, would have the effect indicated on page 170 of the report where it is stated :—

> " It should be pointed out, that, even if no countervailing duty is levied, a rise in price is inevitable since, unless Japan is able to supply all the requirements of India at the low prices at which she is able to supply part of them, it is to her interest, once she has established herself in the Indian market, to allow prices to rise to the level at which other competitors can sell without loss but which would yield her larger profits. A rise of prices in this way would, however, be far more gradual than that which would follow the imposition of a differential duty and in the meantime serious and perhaps lasting damage might have been inflicted on the home industry. From the point of view of the consumer, therefore, the imposition of a differential duty against unfair competition merely hastens the rise in prices which would, in any event, be brought about by the play of normal economic forces."

9. The Conference hold that the handloom industry could be far more effectively assisted by the adoption of a policy which would enable it to realize better prices for its final product than a policy which may give the handloom weaver an immediate advantage, inasmuch as it allows him to purchase his yarn at a figure below the cost of production at present, but which will eventually lead to his exploitation and ultimate disadvantage.

10. In the case of cloth, the Tariff Board has come to the conclusion that the Indian textile industry is at a disadvantage of 4 per cent. (and considerably more than this if a fair return on capital is included) as compared with Japan and the Conference reiterate that in arriving at this conclusion the Tariff Board has considered the existence of the 11 per cent. import duty. This is made clear in their statement on page 175 of the report and in the minute of dissent by the President of the Board where it is stated :—

> " We are agreed that an industry may legitimately ask for protection against unfair foreign competition beyond what is accorded to it by any existing revenue duty. The unfair competition, in the present instance, arises from inferior labour conditions and the measure of protection should therefore be that which is required to offset the advantages derived from these."

In the face of these conclusions of the Tariff Board, the Conference emphatically assert that the Government of India cannot justify the offsetting of this advantage held by Japan against the existing import duty of 11 per cent.

11. The Government of India themselves calculate Japan's advantage at 10 per cent. and it is pertinent to ask whether they realize that by rejecting both the majority and minority recommendations, they are persisting in a policy which gives to Japan a 10 per cent. preference against every other importing country in the world. Clearly the position taken up is an after-thought on the part of Government in their anxiety to find some excuse for rejecting the main conclusions of the Board, and had such an attitude been taken at an earlier stage, it would have materially affected the scope of the enquiry.

12. The Conference would also like to call attention to three statements in the official text of the resolution announcing Government's decisions on the findings of the Tariff Board, which, in the opinion of the Conference, are utterly misleading. In the first place, it is stated that the primary object of the increase in duties on cotton cloth recommended by the majority of the Board was to provide the funds necessary for a bounty on the spinning of finer counts. That this statement does not convey a true idea of the facts is clear from the underquoted extract from page 177 of the report where it is stated :—

> " The fourth method which the majority of us favour is, therefore, that of an addition to the present *ad valorem* duty of 11 per cent. on all cotton manufactures other than yarn. Such a duty has, in our view, four great advantages. In the first place *it gives protection against unfair competition.* In the second, *it avoids com-*

plications arising from discrimination against particular countries. In the third, it enables funds to be found to give a definite stimulus to the development of the industry on the lines we have considered desirable, and, lastly, it obviates the necessity for certificates of origin which would be necessary to ensure that goods of foreign origin are not passed off as goods from any part of the Empire."

After this it is not surprising that Government, in summarising the findings of the Board, should have stated that the Board found the " present depression is partly due to competition from Japan," whereas the real finding of the Board was that the present depression is " partly due to unfair competition from Japan." This is abundantly proved in para 35 of the report which in addition to being significantly headed " Conclusions regarding unfair competition from Japan," goes on to state :—

> " Our examination of the nature and extent of Japanese competition will, we think, have established that the competition has exercised and continues to exercise a depressing effect on the Indian Cotton Mill Industry as a whole..... Our conclusion therefore is that unfair Japanese competition is an important cause of the present depression in the cotton textile industry."

The third misleading statement occurs in para 3 of the Government resolution wherein Government say : " In regard to imports from all countries other than Japan the Board has found there has been no change to the disadvantage of India as compared with the pre-war position." This is not correct. The majority of the Board explicitly stated that an undoubted temporary handicap has been imposed on the industry by the stabilization of the rupee at 1s. 6*d*. They state on page 174 of the report :—

> " We should have had considerable hesitation in proposing an increase in the import duty on this ground alone but the majority of us consider that the reasons we advance elsewhere for a small all-round increase in the import duty on cotton manufactures other than yarn are strengthened by the undoubted temporary handicap imposed on the industry by the stabilization of the rupee at 1*s*. 6*d*."

13. In this connection, the Conference would like to draw the attention of the Government to the fact that the exchange value of the yen which was at about its gold parity when the report was written, has since dropped materially, thus rendering the position of the industry even more difficult.

14. The facts set forth in the preceding paragraphs, in the opinion of the Conference, indubitably prove that in arriving at their decision to withhold protection of any kind from the industry, the economic interests of the country and the welfare of the industry did not weigh with the Government of India. It is greatly to be deplored that Government should allow outside considerations to be the deciding factor when the interests of the greatest industry in the country are so vitally affected.

The Conference therefore urge that Government should reconsider their decision in regard to the main recommendations of the Board, as they maintain that the present decision is not only in direct contradiction of the findings of the Tariff Board, but is also not in conformity with the assurances given by Government from time to time. The Conference can never agree to accept such a decision and they are confident that the country and the country's representatives in the Legislature will endorse the attitude they have taken up.

15. In conclusion, the Conference commend to the attention of the Government the following observation of the Tariff Board :—

> " The extent to which the prosperity of Bombay City and the Bombay Presidency is bound up with the fortunes of the industry needs no emphasis from us. In view of the dangers, financial and industrial, which are inherent in the continuance of the present condition, the case for as effective a measure of State-aid as possible does not appear to us to require elaboration."—I have, etc.,

H. P. MODY,
Chairman, All-India Conference of Millowners.

No. 1035/115 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 21*st June*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

I have the honour to inform you that a Conference of Representatives of the Cotton Mill Industry in different parts of the country was held under the auspices of the Bombay Millowners' Association on Monday, 20th June 1927, to protest against the Government of India's decisions on the report of the Tariff Board (Cotton Textile Industry Enquiry) and to adopt measures to bring about a reversal of Government's decision.

2. 182 mills from the following centres were represented at the Conference :—

Bombay City and Island; Ahmedabad; Sholapur; Khandeish; Belgaum (Gokak); Kolhapur; Nadiad; Cambay; Broach; Indore; Nizam's Dominions; Baroda; Central Provinces; United Provinces; Delhi; Bengal; Madras; Mysore; Madura and Tinnevelly; Koilpatti; Calicut and Coimbatore.

3. Some of the Indore mills were represented at the Conference, while Sir Sarupchand Hukamchand, on behalf of the other mills in Indore, sent a telegram supporting the object for which the Conference was held.

4. The Upper India Chamber of Commerce and the Mysore Chamber of Commerce wired their entire sympathy with the object of the Conference.

5. In pursuance of the fourth resolution, I have the honour to forward herewith a copy of all the resolutions* adopted by the Conference.

6. A copy of the representation to the Government of India referred to in the second resolution was forwarded to you yesterday.—I have, etc.,

H. P. MODY,
Chairman of the Conference.

Similar letters to—

(1) All Provincial Governments.

(2) His Majesty's Secretary of State for India in Council.

APPENDIX 6.

MILLOWNERS' DEPUTATION TO H. E. THE VICEROY.

Government of India Press Communique, dated 12th July 1927, in connection with the Millowners' Deputation to H. E. the Viceroy.

"A deputation representing the cotton textile industry of India waited on the Viceroy to-day in connection with the decision of the Government of India on the report of the Indian Tariff Board (Textile Industry Enquiry). The meeting was informal, and the proceedings which lasted two hours were of a confidential character. His Excellency,

* Please see proceedings of the Conference for resolutions passed.

in welcoming the deputation, said he was glad to have an opportunity of learning at first hand the point of view of representatives of the industry and invited Mr. Mody to put their case before him. After Mr. Mody and other members of the deputation had spoken, His Excellency thanked the deputation and said that while he was unable to give any undertaking in regard to the representations made he would bring what they had said to the notice of the members of his Government. Mr. Mody thanked His Excellency for the hearing he had given them and trusted that, as a result of the interview, the Government of India would be satisfied with the strength of the case presented by the industry and would reconsider their decisions."

The following statement was issued to the Press by Mr. H. P. Mody on 18th July, 1927:—

"I am afraid I am not in a position to say anything more than what has appeared in the official *communique*. We had a very long and frank discussion of the position with His Excellency the Viceroy, and I think His Excellency and his Government have been made to realize the strength of feeling which exists against the decisions which have been taken. The deputation pressed on His Excellency's attention the unanswerable claim of the mill industry in India to a substantial measure of protection, and pointed out that the position in the various centres outside Bombay and Ahmedabad was by no means as happy as it was supposed to be. His Excellency gave a most patient and courteous hearing to the case presented by the deputation, and though he could not commit his Government to any definite attitude he promised a very careful consideration of all that had been urged on behalf of the industry. The interview has certainly resulted in a more real recognition of the position and needs of the industry, and I have hopes of a reconsideration of the issues involved as a result of our discussion. I cannot conceive how Government can possibly disregard the strength of our case, and of public opinion throughout the country, and persist in an attitude which is calculated to inflict grave injury to the best interests of India."

APPENDIX 7.

DEBATE IN THE BOMBAY LEGISLATIVE COUNCIL.

EXTRACTS FROM THE PROCEEDINGS OF THE BOMBAY LEGISLATIVE COUNCIL ON 6TH AUGUST, 1927—MR. J. B. PETIT'S SPEECH.

MR. J. B. PETIT: Mr. President, in accordance with my notice of motion, I beg to move that:

> "This Council recommends to His Excellency the Governor in Council, to take the necessary steps to bring to the notice of the Government of India the necessity of revising their decisions on the Tariff Board's report in the interests of this Presidency generally and of the large classes of people in particular whose well-being depends directly and indirectly on the cotton textile industry."

At the outset, sir, I think I ought to thank you for having very kindly granted priority to my resolution in view of its great importance and urgency. I am also thankful to my honourable colleagues who had precedence over me, for having kindly agreed to my applying for and obtaining priority from you for the same. I am obliged to you and them for this concession and assure you that I will not take a minute longer than absolutely necessary, particularly in view of the very short time that is at our disposal and more specially because I am anxious to enable all parties, sections and interests in the House to express their views on the resolution and to associate themselves with the request contained therein. With this end in view, I shall endeavour to the best of my ability to place my case before this honourable House as briefly and as succinctly as I possibly can, consistently with the importance of the subject, and deal only with broad questions of principles and facts without going into minute details and figures, quoting them only if and when necessary, for the purpose of developing my points and for the purpose of replying to such arguments as may be raised during the course of the discussion that is likely to follow.

As is well known, the aftermath of the war brought about a combination of unprecedented and extraordinary circumstances, which owing to the modern internationalization of the world exercised a very harmful and deleterious effect in numerous directions and in a variety of ways, upon every country on the surface of the globe, whether directly engaged in the war or not.

In consequence of their extreme sensitiveness, the trade and industrial conditions of all countries which were prejudicially affected thereby, were the first to receive the shock and had for apparent reasons to bear the brunt of this terrible depression. The textile industry of India, which is the greatest indigenous industry of the country, also naturally suffered from it like all other industries. But it has had unfortunately to bear more than its fair share of it for reasons which are well known to every honourable member of this House. Its difficulties and privations have been very considerably enhanced by the fact that it has always in the past received step-motherly treatment at the hands of its own Government. If it has thrived and succeeded in the past in face of the numerous vicissitudes through which it has had to pass, it has done so, not with the aid of the Government of the country but in spite of the many impediments placed in its way from time to time by them. At the time this depression overtook it, it was being further handicapped within its own territory by the most unfair and break-neck competition from foreign countries like Japan, which are allowed by an all-too-complacent Government to thrive in this country to an extent and in a manner which no other Government in the world with a sense of their responsibility to their nationals, would ever for a moment permit. In addition to this, the Government themselves for administrative, revenue, political and other reasons, in many cases, of a most unjust and inequitable character, which had better remain unsaid at present, have not seldom, directly and indirectly, resorted to such measures as the manipulation of the exchange, the imposition of the excise duty and of numerous other imposts on the articles and materials absolutely necessary in the manufacture and working of the industry, thus materially adding to its difficulties and burdens. All these reasons, soon after the war, combined to create a situation, which in the comprehensiveness of its scope and the intensity of its effects, was unprecedented in its character, the gravity and seriousness of which could only be felt and understood by those very closely associated with it. It brought the industry face to face with a crisis of the first magnitude. It constitutes a desperate struggle for existence, such as it has never had to face before in its long and weary existence of over 70 years.

Such palliatives as the industry, in its frantic and abortive efforts to escape annihilation and ruin, could devise and think of, were all resorted to one by one ; with the result that before long, it became quite evident that if the industry was to survive and be on its legs again, nothing short of the assistance of "*protection*" from Government, such as is given by all civilized governments to their national industries in face of such crisis, could save it. An appeal was accordingly made by the industry to the Government in the first instance for the abolition of the iniquitous excise duty, which in the name of justice and fair play, had insidiously eaten into its vitals like a canker-worm and sapped its very existence for a period of over 30 years. The industry, for apparent reasons, at first concentrated its energies upon the removal of this iniquitous impost and ultimately obtained its abolition, though not without very considerable effort and continued agitation, which with the help of a more sympathetic and responsive government could have been more appropriately devoted to a better and worthier cause. The ways and means that had to be adopted to encompass this end and the many incidents leading up to this final step on the part of the Government, constitute a sad and dismal chapter in this melancholy drama, which it is necessary for all public workers in this country to know. A study of these incidents would be interesting and eloquently descriptive of the ways prevalent in this country. I would willingly have narrated it here. But, time forbids ; and I must content myself with merely alluding to the same in passing in a casual manner.

To continue my story, the industry then turned its eyes to the Government for assistance in its life-and-death struggle for existence on the lines adopted by all other civilized countries of the world under similar circumstances. The Government, however, persistently evaded the question and declined to move in the matter, in a manner characteristic of them, refusing to believe that even a *prima facie* case had been made out in favour of protection. It was not until repeated and continued attacks had been made on the citadel of the Govern-

ment that they were finally forced to agree even half-heartedly to examine the position and determine the claims, if any, of the industry to assistance. Naturally the industry based its claims for protection on the strongest and the most invulnerable ground, *viz.*, the unfair competition of Japan, which it had to work against, and offered to submit to an *ad hoc* enquiry on that matter—a suggestion which was summarily rejected by the Government who insisted on a thorough and comprehensive enquiry into the entire position and needs of the industry. The dangers and difficulties arising out of an enquiry of this character into the details of an industry of the importance and magnitude of the Indian textile industry, which would make their trade secrets and the confidential figures of their business, such as their costs of production and the like, available to their enemies and competitors, naturally made the industry unwilling to agree to such a proposal. But, so determined and uncompromising was the attitude of the Government in the matter and so desperate was the position of the industry, that those engaged in it had no alternative but to agree to it which they ultimately did, even against their better judgment, in order to save themselves from a catastrophe which was staring them in the face. It was thus that practically the industry was ultimately forced to agree to a comprehensive enquiry by the Government ; and a Tariff Board was accordingly appointed for the purpose on the 10th June 1926.

Before I go into the findings of the Board, I would like briefly to call the attention of this honourable House to the importance and magnitude of the industry and to the great influence it exercises on the economic interests of the country. There are at present roughly 340 textile mills in India, having 8,511,000 spindles and 154,000 looms, employing roughly about 370,000 men and consuming roughly 20 lacs of bales of cotton per year, or as much as 40 per cent. of the total cotton crop of India. It would be interesting to note that out of this total, there are as many as 85 mills in the city of Bombay alone, having roughly 3,500,000 spindles and 73,000 looms, employing on an average 155,000 hands per day and consuming roughly something like 9 lacs of bales of cotton per year. The capital plus the block-value at to-day's rates, so far as the Bombay mills alone are concerned, are worth roughly 50 crores. Similarly, at a very moderate computation, the probable cost of all the mills in India inclusive of the value of the total block at to-day's rates would roughly come to about 150 crores. These figures, rough and approximate though they are, will serve to give this honourable House, an idea of the far-reaching importance and magnitude of the industry, and the need of immediate support to it, not only in the interests of the industrial progress of the country but also of the several lacs of people directly and indirectly dependent on it for their daily bread and the numerous subsidiary trades and industries of the country which in one way or another, derive their sustenance from it. I can give you interesting figures to show how indissolubly connected this great industry is with the welfare and prosperity of the country, and with its economic and social well-being in more than one direction. But I am unable to do so owing to the very short time at my disposal. It is enough to say that this industry is in the nature of a great national industry, perhaps the only national industry of the country, which was founded, developed and conducted entirely by the children of the soil. Its claim for protection, therefore, from the resources and revenues of the country in the face of such a stupendous and unprecedented crisis as is facing it to-day, is unassailable.

Before I proceed further, I think it is necessary to place a few figures before this honourable House relating to the present position of the industry which will show why it is in need of such urgent assistance from the Government. It would be interesting to note that in Bombay alone, the net loss to the industry in the years 1923, 1924 and 1925 was as follows :—

	Rs.	
1923	1,28,15,000 in round figures.	After making full allowance for depreciation on buildings and machinery.
1924	2,42,75,000 ,, ,,	
1925	2,87,65,000 ,, ,,	

These figures come to a grand total of 6,58,55,000 in these three years. If this is the loss of only 85 mills situated within the municipal limits of the town and island of Bombay, it is a simple matter of proportion to find out what the remaining 252 mills outside Bombay must have lost during the same period. Making ample allowance for the fact that many of the Bombay mills are usually in a more advantageous position financially than the average

mofussil mills, and also for the fact that their block-cost and other items of expenditure are generally on a larger and more lavish scale, it is still reasonable to infer from the above figures that the total cost to the whole industry throughout the country during these three years must have come to something in the vicinity of 15 crores of rupees in round figures. This is a figure which, I am sure, no honourable member of this House and no member of the Government, Indian or European, can contemplate with equanimity.

Returning to the point where I left it in the earlier part of my remarks, the industry, when it found that its position was still as precarious as before even after the abolition of the iniquitous excise duty, ultimately agreed in its helplessness to refer its whole case for a comprehensive examination and report to a special Tariff Board that was to be constituted by the Government for the purpose. Incidentally, Mr. President, it is interesting to note that all governments of the world when they saw their industries languishing in consequence of the disastrous after-results of the war, took immediate and effective measures, of their own accord, to protect them in a variety of ways without waiting for formal and portentous representations and without appointing such elaborate Tariff Boards, with all their cumbrous machinery and attendant evils. The following details will show how the different countries of the world came to the rescue of their industries immediately they were found to be in need of assistance and even went to the length of passing special legislation for the purpose :—

Great Britain.—Safeguarding of Industries Act, 1921 ; Trade Facilities Act.

United States.—Anti-Dumping Legislation as mentioned on pages 742 and 743 of the Board of Trade Journal, dated 30th June 1921; Special Provisions under the Title III of the Tariff Act, 1922.

South Africa.—Imposition of Dumping Duties.

Newfoundland.—An addition of Section on Dumping in the Newfoundland Revenue Act, 1925.

New Zealand.—Act XIX of 1921.

Australia.—The Customs Tariff (Industries Preservation) Act, 1921 ; Dumping Duties on export from India annulled on 25th March 1925.

Germany.—Additional protective import duties were imposed by special laws passed by the Reichstag on various dates since the war.

France.—Protective duties raised on several occasions since the war after report by Special Tariff Commission.

Italy.—Protective duties raised on several occasions since the war on report by Permanent Tariff Commission.

Japan.—Article 5 of the Customs Tariff Law empowers additional duties to be imposed on articles imported at unreasonably low prices.

These different legislative enactments further prove that when nations are free to legislate for themselves, they are by no means unwilling to adopt measures of protection for their own industries when such industries have to face keen foreign competition.

The Tariff Board after a very careful, patient and searching enquiry extending over half a year, into all the details of the industry, and after hearing all sides of the question and examining witnesses from the different interests involved in the question, including labour, arrived at certain definite and emphatic conclusions, the significance of which cannot be ignored or lightly brushed aside. First of all, they have held that the demand of the industry for protection against unfair competition from Japan among other reasons, owing to her inferior labour conditions, has been conclusively established. They have given expression

to this opinion at several places in their report, which is well worth a perusal. In paragraph 35, at page 68, they say :—

> " Our examination of the nature and extent of Japanese competition will, we think, have established that that competition has exercised and continues to exercise a depressing effect on the Indian cotton mill industry as a whole. Our conclusion, therefore, is that unfair Japanese competition is an important cause of the present depression in the cotton textile industry."

A similar passage at page 174, last paragraph, is worth quoting. It runs thus :—

> " We have further pointed out that Japanese competition is severely affecting the Indian industry in respect both of yarn and piecegoods and our conclusion is that, to the extent that this competition is facilitated by the inferior conditions of labour in Japan, the industry has established its claim to protection against it."

Then again, on page 175, at the end of paragraph 91, they say :—

> " We are agreed that, in addition to the protection afforded by the present import duty of 5 per cent. on yarn and 11 per cent. on cloth, a moderate measure of protection can be justified for such period as the labour conditions in Japan continue inferior to those in India."

On page 174, they also recognize that the industry is suffering from a further handicap owing to the stabilization of the exchange at 1*s.* 6*d.* I cannot resist the temptation of quoting those lines also, for the information of honourable members of this House. They say :—

> " In these circumstances and, in view of the complexity of the considerations involved, we should have had considerable hesitation in proposing an increase in the import duty on this ground alone but the majority of us consider that the reasons we advance elsewhere for a small all-round increase in the import duty on cotton manufactures other than yarn are strengthened by the undoubted temporary handicap imposed on the industry by the stabilization of the rupee at 1*s.* 6*d.* Our President dissents from this view for reasons recorded in his separate minute." (Page 174, last 9 lines of the middle paragraph.)

The report bristles with numerous expressions of opinion of a similar character, conclusively establishing the claim of the industry to assistance from the Government, on the score of unfair Japanese competition, the stabilization of the English exchange at 1*s.* 6*d.*, the depreciation of the exchange in other foreign countries, and other important reasons of a like nature. I should have liked to quote at least some of these passages ; but it is impossible to do so within the short space of time at my disposal. But, from the few passages that I have already quoted, I hope, it has become clear to honourable members of this House that at least on these two points, *viz.*, unfair Japanese competition, and the advantage derived by imported articles owing to the stabilization of the English exchange at 1*s.* 6*d.*, both of which are naturally regarded by the industry as being very largely responsible for their present plight, the case put forward by the industry, has been unimpeachably established. On these two points, at any rate, the Tariff Board has come to a definite and emphatic conclusion supporting the point of view of the industry. They are practically unanimous in their findings ; they differ only in their methods and recommendations, which we shall examine directly.

Briefly summarised, the recommendations of the Tariff Board are as follows : The majority recommend a bounty of one anna per pound or its equivalent, on yarn of 32s and higher counts based on the production on an average of 15 per cent. of the total working spindleage in a mill in British India for a period of 4 years. They also recommend an all-round duty of 4 per cent. (and of 10 per cent. if a reasonable interest is to be allowed on the capital invested), on cotton manufactures other than yarn for a period of 3 years. They state that such a duty " will not only assist the industry against unfair competition from

Japan and afford relief against the maladjustment between costs of production and falling prices, but will also provide the funds required to give a definite stimulus to the development of the industry. The minority, *viz.*, Mr. Noyce, the President, dismisses the recommendation for a bounty on yarn on the ground among others, that it is unworkable and that the administrative difficulties involved will be " insuperable." Why he comes to this conclusion, he does not care to say. Why such a proposal should be unworkable and surrounded by insuperable difficulties, it is difficult for us to understand. He does not also agree to the 10 per cent. all-round duty on cotton but recommends instead, a 4 per cent. differential duty, and if necessary, a 10 per cent. differential duty on all goods from Japan. The Board also makes certain other recommendations such as the abolition of the import duty on machinery and machinery parts, stores, etc., employed in the textile industry, which the Government accept.

These, briefly put, are the main recommendations of the Tariff Board. In the opinion of those engaged in the industry and competent to pronounce an opinion on the matter, these recommendations are wholly inadequate and meagre ; and totally fail to realize the very grave and precarious situation through which the industry is passing. They feel most strongly, and very rightly so, that the Board could have gone much further and made bolder and more liberal recommendations. Had time permitted, I would have shown that such a step is not only possible and practicable but is also highly desirable. In spite of these convictions, the industry has accepted and is prepared to accept as inevitable even these very halting and meagre recommendations of the Tariff Board, in the hope that such assistance, however small and insufficient, as the recommendations warrant, will give them some little measure of welcome relief at a time of such an acute crisis in their existence. Their amazement and resentment can therefore be better imagined than described, when they heard that the Government of India had practically thrown overboard the whole report of the Tariff Board on the most flimsy and untenable grounds. The decisions that have been arrived at by them, are typical of the manner in which their industry has all along been treated. A more casual and indifferent treatment towards a grave and acute crisis had never been known before. Important findings and conclusions of the Tariff Board have been misread and their entire recommendations jettisoned, with a levity and non chalance characteristic of the Government of India, by setting up the majority and minority reports against each other. The majority recommendation for a bounty on yarn has been rejected for reasons given in the minority report ; the minority recommendation for an additional duty on cloth has been turned down, because according to the majority, the handloom industry would be affected thereby ; and finally, even the recommendations of both the majority and minority with regard to the increase in the import duty on cloth, has been turned down on the ridiculous plea that the 11 per cent. revenue duty which already exists on imports more than amply covers the protection needed by the home industry.

In examining this conclusion of the Government of India, it is necessary to bear in mind the fact that the Government accept the finding of the Board that the Indian industry is under a disadvantage at least to the extent of 10 per cent. when compared to Japan. It is incomprehensible then, how in the face of such a conclusion, they could have induced themselves to refuse at least to neutralise the effect of the unfair advantage now enjoyed by Japan by agreeing to one of the methods recommended in the report. An analysis of the statement of the Government of India must therefore lead one to the conclusion that by acting in the manner that they have done, the Government can only mean one of the following three things : First, that the Tariff Board did not take into consideration the existing 11 per cent. duty when they made their recommendations ; or secondly, that the Tariff Board erred in not going fully into the question of cost of both Japanese and Indian mills and weigh the balance of advantages and disadvantages before making their recommendations ; or thirdly, that it is the desire of the Government of India that Japan should be allowed to enjoy this 10 per cent. advantage as against other importers and the home productions. The answer to the first two alternatives is very effectively given in the report itself. It is abundantly clear from the report that the Tariff Board exactly knew what they were about. They were fully aware of the 11 per cent. import duty, and meant the recommendation to be in addition to this duty. They were similarly in possession of all the factors relating to the costs of manufacture in Japan. It is clear that these two grounds are merely advanced by the Government in order to enable them to reject the Tariff Board's proposals with some

show of reason. But such a step will not deceive anyone. The third alternative still remains that Government, by their rejection of the report, deliberately wish to give Japan a 10 per cent. preference over other importing countries and also over the indigenous products. Besides, if the Government were of opinion that the existing 11 per cent. duty was sufficient protection to the home industry against all outsiders, they might at least have spared the country the expenditure and farce of a Tariff Board inquiry.

When we thus carefully examine the attitude of the Government in this matter it is difficult to speak with restraint and moderation. The attitude of the Government on the whole question is deplorable. It is unfair, unjust and inequitable in the extreme. It is inconsistent with all accepted canons of good government. It is incompatible with their oft-repeated professions of sympathy and solicitude for the welfare and progress of the greatest national industry of the country. It is unworthy of a good and great Government. I have no hesitation in saying that they have failed to advance a single logical or tenable argument in defence of their attitude. The demand of the industry satisfied all the conditions and restrictions laid down for protection by the Fiscal Commission. Their claim was established and proved amidst the most difficult circumstances to a Tariff Board of the Government's own appointment and selection; and it is incomprehensible why even their very moderate and halting recommendations should now have been jettisoned as the Government of India have done. The country is entitled to know their reasons for doing so; and if they are not forthcoming, the representatives of the people in this honourable House and in other similar bodies throughout the country, will be entitled to put their own interpretation on the conclusions of the Government, so unreasonably arrived at in the face of such considered and deliberate recommendations of a body of responsible public men of their own selection. Their attitude in the absence of such a reason must stand self-condemned and must continue to evoke the gravest apprehensions and doubts in the minds of the people of this country about their intentions and *bona fides*. There is a convention established in the Assembly that when a Tariff Board is appointed for a purpose of this character, its finding at least must be accepted by both sides as correct and final; and that there can be a difference of opinion only as to the recommendations. The Government in refusing to accept and give effect to the recommendations of the Tariff Board, have thus indirectly given the go-by to this convention. They have also deliberately and wantonly broken the indirect assurance they had repeatedly given to the industry that if a case for protection was made out by the industry before the Tariff Board, the Government would give effect to the recommendations made by such Tariff Board. I would have been prepared to quote numerous extracts from the utterances and writings of the Government of India from time to time in support of my contention; but I am unable to do so, owing to the shortness of time at my disposal. In fine, Mr. President, the entire attitude of the Government on this matter is most deplorable and such as cannot redound to their credit.

The representatives of the industry throughout the country received the resolution of the Government with a tremendous shock and met at an All-India Conference in Bombay, very soon after its publication, where they put on record their most emphatic and profound disappointment at the action of the Government and requested them to revise their decisions at the earliest possible moment. They have also since supplemented that request by sending a deputation to wait on His Excellency the Viceroy at Simla. They have had the benefit of a round-table conference with His Excellency on the subject, when the difficulties of the industry were once again placed before him very clearly and candidly. I have reason to believe that the matter is still under the very careful and sympathetic consideration of His Excellency the Viceroy. It is at such a time, when his final decision has not yet been announced, that I have brought forward this resolution in order to enable this honourable House, if it agrees with me and sympathises with the industry in its present difficulties, to request our Government also, as the Government of a province which is the home and cradle of the textile industry of India, to pass it on to the Government of India as the unanimous and earnest opinion of this honourable House, with such support as they may think proper to give to it; and I am sure that in this attempt I have the most cordial and whole-hearted support of all parties, sections and interests represented in this honourable House. I have accordingly very great pleasure in moving the resolution that I have read out, in the confident hope that this House will accept it unanimously and in a manner that cannot be mistaken.

APPENDIX 8.

GOVERNMENT'S REVISED DECISIONS ON THE TARIFF BOARD'S REPORT AND THE ASSOCIATION'S CRITICISMS THEREON.

No. 341-T (38).

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
Simla, 15th August, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to acknowledge the receipt of your letter No. 1032-115, dated 20th June 1927, in which you submitted representation on behalf of a Conference of representatives of the cotton mill industry in different parts of the country with regard to the decisions of the Government of India on the main recommendations of the Tariff Board. The points brought to notice in the representation were discussed by the Hon'ble the Commerce Member with the Committee of your Association at Bombay, and subsequently a deputation of millowners from several different centres was received at Simla by His Excellency the Viceroy, when the views of the industry were fully laid before him.

2. The Government of India have considered carefully all that has been urged in the representation and also orally on the two occasions referred to above, and have examined the various points to which attention was drawn with the desire to take all steps which were likely to assist the industry and were not open to objection in principle. They have found it possible to agree to the imposition of a specific minimum duty on cotton yarn, to the reduction of the duty on artificial silk yarn and to the amplification of the list of machinery and mill stores to be exempted from duty, and it will not be necessary, they think, to supplement what has been said in the Press *Communique* (copy enclosed) regarding these matters. But they have been unable to approve the proposed increase in the duty on cotton piecegoods, and it will be desirable to explain more fully than is possible in a *communique* the reasons which have influenced their decision.

3. The conclusion of the Government of India that the unfair competition from Japan is covered by the existing 11 per cent. revenue duty has been criticised in the representation of the Conference on two grounds. It is urged in the first place that, when the Tariff Board recommended an increase of 4 per cent. in the duty on piecegoods (against all countries as proposed by the majority, against Japan only as proposed by Mr. Noyce) they had considered the existence of the 11 per cent. duty. In the second place, it is urged that the position taken up by the Government of India is an after-thought and that, if attention had been drawn to the point earlier, the course of the inquiry might have been different. It would then have been open to the millowners to bring before the Tariff Board every circumstance which could be adduced in support of their claim to protection, and they would not have concentrated attention so closely on the issue of the unfair competition rendered possible by the night work of women in Japan. It will be necessary to discuss both these arguments.

4. The first contention amounts in substance to this: that in the opinion of the Board an addition to the revenue duty was necessary in order to safeguard the industry, or in other words, that 15 per cent. was the lowest rate of duty which gave adequate protection, at any rate as against Japan. So far as Mr. Noyce is concerned, this plea clearly cannot

be substantiated. It is evident from his minute of dissent that in his view the only valid claim established by the industry was that the unfair advantage of the Japanese mills (which he assessed at 4 per cent. of the selling price) should be neutralised by a safeguarding duty, and he proposed that this duty should be added to the existing revenue duty. Numerous precedents for this procedure could be quoted from the legislation of several different countries, including India itself (*vide* Section 8A of the Indian Tariff Act, 1894), and it was no doubt these precedents Mr. Noyce had in view when he wrote (in the passage quoted in the representation) " we are agreed that an industry may legitimately ask for protection against unfair foreign competition beyond what is accorded by any existing revenue duty." The Government of India are unable, however, to approve the procedure by which safeguarding duties are superimposed upon revenue duties. It is to be remembered that, when duties are levied solely for the purpose of raising revenue (and the 11 per cent. duty on piecegoods falls in this category), they can be varied from time to time according to the financial exigencies of the moment, and any advantage which the domestic industries of the country imposing the duties may derive from them is incidental. When therefore a safeguarding duty is levied in addition to a revenue duty, the presupposition is that the industry will still be fully safeguarded against unfair competition even if the revenue duty is reduced or abolished. The Government of India attach great importance to the maintenance of the distinction between protective duties and revenue duties, and they hold that when a duty is imposed for protective purposes its amount should be definitely fixed and that it should be levied as an alternative to the revenue duty and not as an addition to it.

5. It may be argued that, whatever Mr. Noyce's views may have been, the majority of the Tariff Board were definitely in favour of a 15 per cent. duty on protective grounds, and here the Conference take exception to the following sentence in the Government Resolution No. 341-T (27) dated 7th June 1927 :—

> " The primary object of this increase " (*i.e.*, in the duty on cotton piecegoods from 11 to 15 per cent.) " is to provide funds to meet the cost of the proposed bounty on the spinning of the finer counts, and of certain other proposals made by the Board, but it will also serve to reduce the rigour of the competition from Japan from which the industry suffers."

It is contended that this statement is inconsistent with several passages in the Board's report and in particular with the following passage on page 177 :—

> " The fourth method which the majority of us favour is, therefore, that of an addition to the present *ad valorem* duty on all cotton manufactures other than yarn. Such a duty has, in our view, four great advantages. In the first place, it gives protection against unfair competition. In the second, it avoids complications arising from discrimination against particular countries. In the third, it enables funds to be found to give a definite stimulus to the development of the industry on the lines we have considered desirable, and lastly, it obviates the necessity for certificates of origin which would be necessary to ensure that goods of foreign origin are not passed off as goods from any part of the Empire."

If this passage stood alone, the natural inference would be that the Board had two objects : (1) to give protection in the most convenient way and (2) to provide funds for subsidising a desirable development, and there would be little or nothing to show which was regarded as the more important. Two other passages still leave the point in doubt. On page 199, referring to the increase in the duty, the Board say :—

> " It will not only assist the industry against unfair competition from Japan and afford relief against the maladjustments between costs of production and falling prices, but will also provide the funds required to give a definite stimulus to the industry on the lines we consider desirable."

Again, on page 200 the Board explain the reasons why they fixed the amount of the additional duty at 4 per cent.

> " In the first place," they say, " it is the most suitable rate with reference to the cost of our proposals. The proceeds of such a duty, if levied for three years, will bring in revenue which is more than sufficient to cover this. In the second place, it exactly offsets the actual advantage, though not the advantage, if a reasonable return on capital is also included, in cost of manufacture which we have estimated that the Japanese industry derives from double shifts."

The second of these passages at any rate makes it plain that in determining the amount of the additional duty the majority of the Board were not influenced by their own finding that the unfair advantage (including a reasonable return on capital) was 12½ per cent. but it still leaves it doubtful whether protection or the provision of funds for the bounty is to rank first. Finally, however, the Board in very emphatic terms (page 200) make their meaning clear.

> " We cannot too strongly emphasise," they say, " that the primary purpose of the duty we propose is to provide the funds required to stimulate the production of higher counts of yarn and to protect that production from unfair competition in the manner which, in our view, best avoids inflicting injury on other interests."

It seems to the Government of India that only one inference can fairly be drawn from this passage, *viz.*, that with the majority of the Board the stimulus to the spinning of the finer counts of yarn ranked first, and that they regarded the safeguarding of the manufacture of piecegoods as secondary. In none of these passages can the Government find anything to suggest that the majority of the Board regarded 15 per cent. as the minimum duty required for protective purposes, and they no doubt held, with Mr. Noyce, that a safeguarding duty could legitimately be added to the revenue duty.

6. I am now to turn to the second criticism of the Government decision, *viz.*, that if the Government of India intended to take into account the existing revenue duty on piecegoods, they ought to have drawn the attention of the Millowners to the point at the time the Tariff Board were appointed. This criticism is closely connected with another complaint made by the Conference, *viz.*, that when the Government of India agreed in March 1926 that a *prima facie* case for an inquiry had been made out, but added that steps for safeguarding the industry could not be taken " unless and until the necessity of that course was established by a comprehensive and impartial enquiry," they gave what was tantamount to an assurance that, if a case for protection was established before the Tariff Board, the Government would be prepared to act on the Board's findings.

7. It was evidently believed by the Millowners that, if unfair competition could be established and the amount of the unfair advantage assessed, an additional duty would be imposed sufficient to offset that advantage, but the Government of India find it difficult to understand on what grounds this assumption was based. In March 1926, the Bombay Millowners' Association had asked that Japanese yarn and piecegoods imported into India should be subjected to additional import duties, that the amount of these additional duties should be roughly equivalent to the reduction in the cost of production which Indian mills would be able to secure, if they were also enabled to work double shifts by employing women at night, and that an *ad hoc* Committee should be appointed to determine in the light of this principle what extra duties should be imposed. Had the Government of India assented to this proposal, the Millowners' belief as to the intentions of the Government of India would have been justified, but in fact they refused definitely to agree to an inquiry thus restricted in its scope. In their letter No. 341-T (9), dated the 26th March 1926, to which you refer, after admitting that a *prima facie* case for inquiry had been made out, they wrote, "but they hold that the enquiry should be a comprehensive enquiry, and that the whole field should be opened to the body entrusted with it. For protection, whether it be called protection or merely safeguarding, must enhance the price of cotton goods (which is still exceptionally high) for the

Indian consumer, and the Government of India are unable to agree to any course that would have this result until the necessity of that course is established by a comprehensive impartial enquiry. In their view diagnosis must precede the prescription of remedies, and they are not yet satisfied that the present condition of the mill industry in Bombay is solely due to competition from Japan." It will be seen that the Government of India insisted that the inquiry should be comprehensive and not restricted to the single issue of unfair competition, that they emphasized their objection to any course which raised the price of piecegoods to the consumer, unless its necessity was clearly established, and that they indicated that their decision might depend on the extent to which Japanese competition was found to be the sole cause of the depression. The reference to the Tariff Board was in fact comprehensive and it was clearly incumbent on the Millowners, if they did not wish their case to go by default, to bring to the notice of that body every fact which in their view strengthened the claim to protection. As a result of their investigations, the Board found that the depression was not solely due to Japanese competition, but also to world-wide causes and to internal competition.

8. In the circumstances stated above, the Government of India, in arriving at their decision, could not but take into account the facts that the existing duty was more than sufficient to offset the advantage which the Japanese mills derived from working double shifts, and they could not raise the point at any earlier date. Had the Board recommended out-and-out protection (and not merely safeguarding) as under the terms of their reference they were entitled to do, there could have been no question of adding a protective duty to a revenue duty. In the view of the Government of India the position is not materially altered because the proposed duty is intended to safeguard the domestic industry against unfair competition from a single country, for the effect on the consumer is the same, whatever the object of the duty. As for the assurance that the Millowners believed they had obtained, I am to remind you that when Sir Charles Innes visited Bombay in April 1926, it was specifically asked for and as specifically refused. Sir Charles' note (a copy of which was supplied to the Bombay Millowners' Association at the time) runs as follows :—

> " (5) Government should pledge itself to take action without delay in accordance with the recommendations of the Enquiry Committee."
>
> *Answer* :—" It was quite impossible for Government to give any such pledge. The Tariff Board and any similar Committee of Enquiry can only make recommendations. Those recommendations naturally receive the most careful consideration, but nothing can absolve the Government from the responsibility of taking its own decision on the recommendations."

9. In paragraph 3 of the Government of India's Resolution No. 341-T (27), dated 7th June 1927, it was said that " in regard to imports from all countries other than Japan, the Board has found that there has been no change to the disadvantage of India as compared with the pre-war position." In the representation of the Conference, exception is taken to this statement on the ground that the majority of the Board expressed the view that the reasons for a small all-round increase in the import duty on cotton manufactures other than yarn are strengthened by the undoubted temporary handicap imposed on the industry by the stabilisation of the rupee at 1*s.* 6*d.*, and that this factor affected imports from all countries alike. The statement in the resolution was based on the following sentence on pages 71 and 72 of the report :—

> " It cannot, therefore, be said in regard to imports from any country other than Japan that there has been any change to the disadvantage of India as compared with the pre-war position."

This is a perfectly clear and unambiguous statement and it was reproduced almost *verbatim* in the resolution. The members of the Conference apparently failed to observe that, when the Board discussed currency changes in Chapter VI of the report, they made no comparison between pre-war and post-war conditions, and in so far as there was any comparison at all, it was between the actual condition of the industry and its probable condition if the rupee had been stabilised at 1*s.* 4*d.* Had the pre-war position entered into their calculations on this point, the Board would doubtless have drawn attention to

the fact that before the war the import duty was 5 per cent. and the excise duty 3½ per cent., whereas at present the import duty is 11 per cent. and there is no excise duty.

10. The Government of India considered that the arguments put forward in the representation of the Conference merited full examination, and for this reason they have discussed them at length. They have carefully considered all that has been urged both in the representation of the Millowners and also orally, but have found no reason to modify their previous conclusion that the only valid claim established by the industry was to be safeguarded against unfair competition from Japan, that the unfair advantage of the Japanese mills was 10 per cent. of the selling price and that this advantage was already covered by the 11 per cent. duty. In order to justify a claim for protection by a long-established industry, such as the cotton mill industry, which already supplies more than half the piecegoods requirements of India, some special reason for its inability to meet foreign competition must be established and apart from the double-shift working in Japan, no such reason has been made out, for the Government of India are unable to accept the view of the majority of the Board that the stabilisation of the rupee at 1*s.* 6*d.* is an adequate ground for raising the duty. The fact that the industry is passing through a period of depression following on a period of great prosperity and of rapid growth, is not enough, for the industrial concerns which have made substantial profits at the expense of the consumer when conditions were favourable cannot fairly claim that they shall also be protected from loss at his expense when conditions change for the worse. The Tariff Board have found that the depression in the cotton mill industry is not confined to India, but is world-wide, that in the world as a whole the purchasing power of the consumer is less than the productive capacity of the mills, and that the ability of the agricultural classes to buy piecegoods is seriously impaired by the fact that the price of manufactured goods has risen to a much higher level than the price of agricultural produce. In a depression of this kind, measures which can operate only by raising prices are more likely to do harm than good, and may accentuate the depression by restricting still further the purchasing power of the consumer. The Board have also laid stress on the internal competition in India itself. "At a time, therefore," they say, "when..... owing to the loss of the China trade in yarn the Bombay mills have had to find an outlet in the home market for the equivalent of an extra 300 million yards of cloth, they have been faced with the competition of an additional 400 million yards of cloth manufactured in India. The effect of this increasing competition on the part of the up-country mills will be obvious more especially as it is direct competition, since the up-country mills manufacture goods which are mostly of the same qualities as those made in Bombay." This internal competition was intensified in 1926-27 when the mill output of piecegoods was nearly 15 per cent. higher than in any previous year. The Board have also drawn attention to the fact that a number of weaving mills in other parts of India have been able to manufacture at a profit at a time when most of the Bombay mills were making heavy losses. In so far as the depression is due to internal competition, protection is no remedy, and if the Board are right in holding that the up-country mills have certain advantages over the Bombay mills in respect of a lower wage scale, vicinity to their markets, and greater accessibility of their supplies of raw cotton, the imposition of a high duty might place the Bombay mills in a still more unfavourable position, for the up-country mills now idle would probably reopen, and the 43 mills said to be under construction would be completed and commence to work. Finally, the Government of India cannot ignore the fact that the depression in Bombay has been accentuated by causes for which the Millowners would no doubt admit that they are themselves in part responsible.

11. As already stated in paragraph 2 above, the Government of India have examined all the claims of the Millowners with a desire to assist the industry where they could, and in certain points they have been able to meet their wishes. But in considering the question whether the duty on piecegoods should be raised, they have had to keep in view not only the immediate needs of the cotton mill industry but also their declared policy of discriminating protection, the interests of India as a whole, and the healthy development in the future of the cotton mill industry itself. Their final conclusion is that the duty on cotton piecegoods ought not to be increased, and to this decision they must adhere.—I have, etc.,

N. J. ROUGHTON,
For *Secretary to the Government of India.*

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE.

SIMLA, 16*th August*, 1927.

Press Communique.

In a Resolution No. 341-T (27), dated 7th June 1927, the Government of India announced their decisions on the recommendations of the Cotton Textile Tariff Board. They agreed to the removal of the import duties on certain classes of machinery and mill stores, but they were unable to accept—

(*a*) The proposal of the majority of the Board for the payment of a bounty to encourage the spinning of the finer counts of yarn;

(*b*) The proposal of Mr. Noyce that a differential duty of 4 per cent. should be imposed on imports of yarn from Japan in addition to the revenue duty of 5 per cent.;

(*c*) The proposed increase in the duty on piecegoods from 11 to 15 per cent. on imports from all countries (as recommended by the majority) or on imports from Japan only (as recommended by Mr. Noyce).

A strong representation against these three decisions was submitted by a Conference of representatives of the cotton mill industry in India, and subsequently the claims of the industry to protection were placed before the Government of India at an interview between the Commerce Member and the Committee of the Bombay Millowners' Association at Bombay and by a deputation of the Millowners which was received by His Excellency the Viceroy at Simla. This deputation also asked for certain additions to the list of articles of machinery and mill stores which it is proposed to exempt from duty.

2. The Government of India have most carefully considered all that has been urged by the Millowners, and have reviewed the decisions to which exception was taken with the desire to take such further steps as were possible to assist the industry where that could be done without sacrifice of principle and with due regard to the interests of India as a whole. They have found it impossible to approve either the proposed bounty on the spinning of the finer counts of yarn or the differential duty against Japan, but have come to the conclusion that the cotton spinning industry can fairly claim additional assistance. The Tariff Board found that the unfair advantage enjoyed by the Japanese spinning mills, owing to night work by women, was 10 per cent. of the selling price at the time they reported, whereas the existing revenue duty is only 5 per cent. They found also that the Japanese competition was most intense in respect of the counts of yarn from 31s to 40s and that the unfair advantage of a mill spinning an average of 32s was 16·55 pies per pound. It appears from these figures that a specific duty of one and a half annas per pound would neutralise the unfair competition of the Japanese mills at the point where that competition is most injurious to the Indian cotton spinning industry. The Government of India have, therefore, decided to bring before the Legislature a Bill providing that up to the 31st March 1930, the duty on cotton yarn, irrespective of the country from which it is imported, should be one and a half annas a pound or 5 per cent. *ad valorem*, whichever is the higher. The effect will be that duty will be leviable on all imported yarn at the rate of one and a half annas per pound, unless its value exceeds Rs. 1-14-0 per pound, in which case the duty will be 5 per cent. *ad valorem*. For protective purposes a specific duty is always preferable to an *ad valorem* duty, which varies with the price and is apt to give inadequate protection when the price is low and excessive protection when the price is high. Under the Japanese Factory Law, night work by women will be prohibited from the 1st July 1929, and it is expected that all yarn produced by mills employing women on night work will be off the market before the 30th March, 1930.

3. The Government of India have considered the effect of the one-and-a-half-anna duty on the handloom industry, and their re-examination of this question has satisfied them that the consequences are not likely to be very serious. The price of the finer counts of

yarn will be increased but little, or not at all, while, on the other hand, in respect of counts up to 30s the direct Japanese competition is negligible, and the total imports are less than one-half per cent. of the Indian production. The price of such yarn must be determined largely by internal competition, and it is quite uncertain to what extent, if at all, the price will be increased. The bulk of the imports from Japan are of the medium counts from 31s to 40s, and here the price may be raised to the full extent of the duty. The total consumption of this class of yarn is about 50 million pounds a year, and if the handloom industry is assumed to take half of this quantity, it represents less than 10 per cent. of the handloom consumption of yarn. The Government of India are anxious, however, to do what is possible to minimise the burden on the handloom industry, and with this object and also to facilitate the diversification of the mill production, they have decided to include in the proposals to be placed before the Legislature the reduction from 15 to 7½ per cent. of the duty on artificial silk yarn, which is being used in increasing quantities both by the handloom weavers and by the cotton mills.

4. After considering the representation of the Millowners, the Government have also decided to include in the list of machinery and mill stores to be exempted from duty bobbins and pirns, picking sticks, roller skins and roller cloth, clearer cloth and sizing flannel. They have also endeavoured to word the definition of the dyes to be exempted from duty in such a way as to cover all coal-tar derivatives used in dyeing. This is a point to which the Millowners attached importance.

5. The Government of India have carefully considered all that has been urged in favour of a higher duty on piecegoods, but their review of this question has not led them to modify their original conclusion. They are satisfied that, apart from the unfair advantage of the Japanese mills, no valid ground for protection or safeguarding has been established, and they cannot ignore the fact that the unfair advantage is already neutralised by the existing 11 per cent. duty. They cannot, therefore, agree that a safeguarding duty should be added to the revenue duty or that the duty should be increased on other grounds. The reasons for this decision have been explained at greater length in a separate letter addressed to the Bombay Millowners' Association.

N. J. ROUGHTON,
For *Secretary to the Government of India.*

No. 1554/115 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *24th August*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE, SIMLA.

SIR,

I am directed to acknowledge the receipt of your letter No. 341-5 (38), dated the 15th of August 1927, enclosing a copy of the Press *Communique* in which Government set forth their revised conclusions and their reasons for arriving at their decisions. In the first instance, I am instructed to state that my Committee are gratified to note that as a result of the representations made by the industry, the Government of India have considered it necessary to modify their original conclusions regarding the measure of assistance required by the industry. At the same time, my Committee would point out that they cannot possibly agree that the proposed increase in the duty on low and medium counts of yarn, unaccompanied as it is, by an addition to the import duties on piecegoods, will be sufficient to enable the industry to overcome its present difficulties. Nor can they, for reasons herein set forth, agree with the Government of India that the present revenue duty on piecegoods is sufficiently protective in its effect to offset the unfair competition from Japan owing to inferior labour conditions and the additional disabilities which have been imposed on the industry during recent years under circumstances entirely beyond its control.

2. In view of Government's refusal to refer back to the members of the Tariff Board the specific question as to whether they have taken into consideration the protective effect of the existing 11 per cent. revenue duty on cloth in arriving at their main conclusions, and in view of the fact that Government have thought fit to persist in the attitude they have taken up on the question of protection against unfair competition in piecegoods, it appears necessary to re-state in some detail the industry's point of view in regard to the duties on cloth. Before proceeding to do so, however, my Committee desire to state that they would have been in a better position to offer criticism had Government been good enough to enunciate the "principle" referred to in para 2 of their letter under reply. The only principle on which, in the opinion of my Committee, Government should base their decision is that protection should be granted to an industry when its need is definitely and properly established after an investigation by an impartial body like the Tariff Board.

3. In the fourth and fifth paragraphs of their letter, the Government of India dispute the contention of the Association that both the majority and minority of the Tariff Board considered that an addition to the existing revenue duty was necessary in order to safeguard the industry at least against Japan. The Government of India contend that according to Mr. Noyce, the only valid claim established by the industry was that the unfair advantage of the Japanese mills (which he assessed at 4 per cent. of the selling price) should be neutralised by a safeguarding duty and he therefore proposed that this duty should be added on to the existing revenue duty in accordance with the numerous precedents from the legislation of several countries including India. In effect, the Government of India maintain that in Mr. Noyce's opinion, the cotton textile industry would have no grounds for complaint even if the existing revenue duty on piecegoods were reduced to 4 per cent. That this conclusion is absolutely unjustifiable is obvious for several reasons. In the first place, had Mr. Noyce considered that a 4 per cent. duty would be sufficient to enable the industry to withstand competition from Japan, it would have been entirely unnecessary for him to take into consideration the effect of the existing revenue duties, or to make any comparison between the cost of imported goods and Indian goods. It is significant that practically the whole of Chapter V of the report is devoted to an examination of the comparative selling prices of Japanese and Indian goods and that this comparison was made in order to enable conclusions to be drawn "as to the correctness of allegations of undercutting." The Tariff Board, in conjunction with the Millowners' Association and the Customs Authorities, made every effort to obtain accurate comparative figures, a most difficult task owing to the absence of reliable information regarding the prices of Japanese piecegoods, and the Board came to the unanimous conclusion that as regards the bulk of the Japanese imports of piecegoods, the selling prices in India are lower than the cost of manufacture to Indian mills even without making any allowance for profit or depreciation. This means that Mr. Noyce as well as his two colleagues on the Tariff Board have found that even with an 11 per cent. import duty, Japanese piecegoods were underselling Indian goods of the same quality, which in effect could only mean that Mr. Noyce held that even an 11 per cent. duty was insufficient to enable Indian mills to hold their own against Japanese competition, and that it would therefore be necessary to impose duties in addition to the existing duties in order to safeguard the industry adequately against the special advantage which the Japanese industry enjoys through unfair labour conditions, depreciated exchange, the appreciation of the rupee and indirect subsidies. In other words, Mr. Noyce and his colleagues held that a 15 per cent. duty was necessary to enable the Indian mill industry to compete against Japan.

4. That the Government of India's conclusions in regard to Mr. Noyce's intentions are unjustified is further proved by his statement that he thought it was necessary to express his belief that the direct disadvantage to the industry due to the stabilisation of the rupee at 1s. 6*d*. had been in the greater part rectified by the abolition of the excise duty. It would have been entirely unnecessary for him to make such a statement had he for a moment thought that the only valid claim established by the industry against Japanese competition was 4 per cent. due to unfair labour conditions. Nor would it have been consistent on his part to join his colleagues in the unanimous conclusion on page 175 of the report where it is stated :—

> "In paragraph 35 above, we have stated our conclusion that to the extent that conditions of labour in Japan are inferior to those in India in these respects (*i.e.*, in

regard to hours of labour and the employment of women and children at night) it must be held that there is unfair competition between India and Japan. We have further pointed out that Japanese competition is severely affecting the Indian industry in respect of both yarn and piecegoods, and our conclusion is that to the extent that this competition is facilitated by the unfair labour conditions in Japan, the industry has established its claim to protection against it.....We are agreed that *in addition to the protection* afforded by the present duty of 5 per cent. on yarn and 11 per cent. on cloth, a moderate measure of protection can be justified for such period as the labour conditions in Japan continue inferior to those in India."

5. As regards the majority recommendations of the Tariff Board in respect to additional import duty on cloth, the Government of India endeavour to make out that but for the fact that funds had to be provided to assist in the spinning of finer counts of yarn, they would have recommended no addition to the existing import duty on cloth. That this conclusion on the part of the Government of India is unjustifiable is clear from the fact that in no reference made to the subject in the report is it stated by the majority that the provision of funds for the bounty was the principal object of their proposals, and in several passages already quoted in our previous representation and even in the passages quoted in the letter under reply, the majority have definitely stated that the additional duty is imposed for several purposes. Even in the paragraph on which Government seem to lay stress, what the majority really stated was that the primary purpose of the duty was to give protection against unfair competition as well as to provide the funds required to stimulate the production of higher counts of yarn. It is inconceivable that both the majority and the minority should say clearly in more than one place that an additional duty on piecegoods is necessary and yet in their final recommendation mean something entirely different as Government attempt to make out.

6. My Committee cannot agree with the Government of India that their claim to protection went by default for the reason that at any rate as far as Japan was concerned, competition with whom the Association held to be the main cause of the existing depression, the fullest facts were put forward. Evidence was led to prove that the Japanese were underselling Indian mills in both yarn and cloth owing to a variety of causes, and the facts ascertained in this connection by the Tariff Board, which are referred to in the earlier paragraphs of this letter, undoubtedly contributed to the conclusions arrived at by the majority and the minority of the Tariff Board, and led them to recommend an increase in the existing revenue duties.

7. As regards Government's attempt to make out that the advantages enjoyed by the Japanese industry in respect of piecegoods are covered by the existing revenue duty, my Committee feel bound to repeat that the *communique* of the 7th June was the first occasion on which Government raised this issue and this is entirely an after-thought on the part of Government. This point has been fully dealt with in the representation of the 20th June, and I am to add that the wholly untenable nature of the position taken up by Government is clearly proved by the fact that beyond raising fine distinctions on the words "protection" and "safeguarding" in the eighth paragraph of their letter under reply, Government have not been able to advance any arguments in support of their attitude, or to answer satisfactorily the criticisms made in this connection in the representation of the 20th June.

8. My Committee also desire to point out that Government have observed complete silence on the question raised in the representation of the 20th June as to whether Government, while admitting Japan's advantage to be 10 per cent., realized that the policy in which they are persisting would give to Japan a 10 per cent. preference against every other importing country in the world.

9. The Government of India state that it was evidently believed by the Millowners that if as a result of the enquiry, unfair competition was established and the amount of unfair advantage assessed at a particular figure, an additional duty would be imposed sufficient to offset the advantage. This is, however, hardly a perfectly correct representation of the Association's attitude. What they really believed was that if it was proved that the Japanese had an advantage in the cost of manufacture owing to unfair labour conditions, and in

addition it was proved that Japanese piecegoods and yarns were either underselling or depressing the price of Indian piecegoods and yarns, then an additional protection would be given to the industry. It was of course never understood that if upon enquiry by the Tariff Board it had been found that Japanese piecegoods and yarns were selling quality for quality and count for count at comparatively higher prices than Indian piecegoods and yarns that an additional duty should be imposed to offset the advantage to Japan from unfair labour conditions.

10. Little need be said in regard to the point as to whether the Government of India were justified in stating in their original resolution that in regard to the import from all countries there has been no change to the disadvantage of India as compared with the pre-war position. The point is not of very great importance, but it should be pointed out that the *verbatim* quotation to which the Government of India refer is taken from the middle of a paragraph which merely deals with the quantities of piecegoods and yarns imported from different countries, and in no way considers the position in regard to exchange or any other factors, and it was therefore legitimate for the industry to call attention to the fact that in the chapter in which the majority of the Board reviewed the whole of the facts which had been placed before the Tariff Board, they had pointed out that the reasons for an increase in the import duty on cotton manufactures other than yarn were strengthened by the undoubted temporary handicap imposed on the industry by the stabilisation of the rupee at 1*s.* 6*d.*

11. My Committee most emphatically assert that it is irrelevant and misleading for the Government of India to use the argument that in the world as a whole the purchasing power of the consumer is less than the productive capacity of the mills for the reason that this certainly does not hold good in India where the productive capacity of the mills in piecegoods is certainly less than half the average consumption of the country.

12. Government have raised the question of the burden on the consumer. This well-worn argument against protection was very effectively disposed of by the Indian Fiscal Commission who, after pointing out in the 68th para of their report how import duties tend to increase the price of commodities, go on in the succeeding paragraph to say :—

> "It is not our intention to suggest that the burden on the consumer arising from protective duties is necessarily permanent. On the contrary, if the industries to be protected are selected with due discrimination, the burden should gradually diminish and eventually cease altogether. But the process of diminution is not likely to be rapid, or to commence immediately. So long as foreign imports continue to enter in appreciable quantities, the price of the goods must in general be regulated by the price of the foreign imports, that is to say, the consumer will be paying the full foreign price plus the import duty. As the home industry develops in efficiency and reduces its cost of production, there will be at first no reduction in prices, but the decrease in the cost of production will merely go to swell the profits of the home industry. This will lead to the more rapid development of the home industry and will hasten the time when it is able to supply the home market almost in full. As foreign imports dwindle to small proportions, prices will become regulated more and more by internal competition, and the consumer will then begin to derive the benefit from the increased efficiency of the local industry, and may in the end obtain goods as cheaply as if he were free to import them without a duty. If the industry is one for which the country possesses marked natural advantages, he may even obtain them more cheaply."

13. The utterly fallacious and untenable nature of the argument that the consumer would be unfairly penalised by the imposition of additional import duties on cotton manufactures, so well brought out in the above extract from the Fiscal Commission's report, is further proved by the policy pursued by the Governments of different countries towards their indigenous industries. The United States of America, Spain, France, Australia, Japan and even Great Britain are all following a vigorous policy of developing their industries by adopting all possible measures for the protection of their industries against competition from other countries without being deterred by the temporary effects of such policy on the

consumer. In this connection it is specially noteworthy that Mr. S. Uyehara in his well-known book "The Industry and Trade of Japan" while dealing with the cotton textile industry of the country, says :—

> " The protective policy towards this industry not only keeps away foreign goods from the home market, but also enables Japanese firms to recover any loss occasioned by low quotations for export by raising prices in the domestic trade."

14. It should be further remembered that the Tariff Board themselves have very thoroughly examined this question of the effect on the consumer, and my Committee fail to understand why Government in their letter under reply while repeating this fallacious argument have totally ignored the very full examination of this question by the Tariff Board. The conclusions of the Tariff Board on this subject are contained in para 90 where it is stated :—

> "It should be pointed out that, even if no countervailing duty is levied, a rise in price is inevitable since, unless Japan is able to supply all the requirements of India at the low prices at which she is able to supply part of them, it is to her interest, once she has established herself in the Indian market, to allow prices to rise to the level at which other competitors can sell without loss but which would yield her larger profits. A rise in prices in this way would, however, be far more gradual than that which would follow the imposition of a differential duty, and in the meantime serious and perhaps lasting damage might have been inflicted on the home industry. From the point of view of the consumer, therefore, the imposition of a differential duty against unfair competition merely *hastens* the rise in prices which would, in any event, be brought about by the play of normal economic forces."

15. My Committee are quite aware of the competition of up-country mills and that if adequate protection were given to the piecegoods section of the industry, a proportion of mills which are idle and which are said to be under construction might possibly re-start work, but it is enough to emphasize again that at the present moment the Indian mill industry does not supply even half of the country's requirements thus making it impossible to retain in this country the wealth created by converting raw materials produced in the country into finished goods.

16. My Committee agree that the industry would be unjustified in asking to be protected against loss immediately after the cessation of a period of phenomenal prosperity, but an examination of the facts should be sufficient to convince the Government of India that the demand for protection is more than justified under the present circumstances particularly if, as in the case of the steel industry, Government agree that an 8 per cent. return on capital invested in the industry is reasonable.

17. Coming to the assurance as implied in previous Government communications, the Committee of the Bombay Millowners' Association were fully aware when bringing it to the notice of Government that Sir Charles Innes had stated that it was impossible for Government to give a definite pledge, that the Tariff Board or any similar Committee of Enquiry could only make recommendations, and that the responsibility of taking its own decision rested solely with the Government of India. It is obvious that Government were not pledged to give effect to any and every recommendation that may be made by such a Board. Even if no such statement had been made by Sir Charles Innes, Government were still free to take their own decisions. The Millowners have never disputed the technical right of Government to do so, but at the same time, Government cannot go past what they unmistakably conveyed in the many discussions which took place between them and this Association in the course of the last three years. There would be very little meaning in a Tariff Board Enquiry if the recommendations of such a Board were finally brushed aside by Government without putting forward any cogent or convincing reasons. My Association cannot but maintain that they had very valid grounds for assuming that if their case was proved before a Tariff Board, Government would be willing to afford protection to the industry.

18. In the end, I am to express my Committee's keen disappointment that even the revised decisions of the Government of India should leave the industry practically in the same position it was in before the Tariff Board began its investigations. It was after a very exhaustive inquiry that the Board came to the conclusion that "a very great industry is in a serious condition," and they made certain cautious proposals—which fell considerably short of their findings—to enable the industry to withstand what was proved to be unfair competition. Instead of taking prompt and effective action on the lines recommended by the Board, Government set about discovering arguments to turn down the recommendations of a body which had carefully investigated the problem for several months. It is nothing short of a misfortune that, while the policy of the Governments of other countries towards industries is to regard them from a national point of view, in India the disposition of Government is to leave them to their own devices and not to protect them even against unfair competition, even though such competition is fully established before a competent tribunal. My Committee hope that the Government of India will even now realize the gravity of the situation in which the industry finds itself, and will not refuse it the assistance which, in the opinion of an impartial body appointed by themselves, the industry so sorely needs. —I have, etc.,

J. P. WADIA,

Asst. Secretary.

APPENDIX 9.

THE INDIAN TARIFF (COTTON YARN AMENDMENT) ACT, 1927.

GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

ACT NO. XXIII OF 1927.

An Act further to amend the Indian Tariff Act, 1894, in order to protect the manufacture of cotton yarn in British India.

Whereas it is expedient further to amend the Indian Tariff Act, 1894 (VIII of 1894), in order to protect the cotton textile industry in British India against competition in cotton yarn produced under industrial conditions which enable such yarn to be produced at a cost below that at which it can be produced in British India ; It is hereby enacted as follows:—

1. This Act may be called the Indian Tariff (Cotton Yarn Amendment) Act, 1927.

Amendment of the Second Schedule to Act VIII of 1894.

2. (1) In Item No. 44 of the Second Schedule to the Indian Tariff Act, 1894 (VIII of 1894), after the figure and words "5 per cent." the figure and words "or 1½ annas per pound, whichever is higher" shall be added.

(2) The amendment made by sub-section (1) shall have effect up to the 31st day of March, 1930.

W. T. M. WRIGHT,

Offg. Secretary to the Government of India.

Extracts from the Proceedings of the Legislative Assembly on 7th September, 1927, on the Cotton Yarn Protection Bill.

SIR VICTOR SASSOON'S SPEECH.

SIR VICTOR SASSOON (Bombay Millowners' Association : Indian Commerce) :—Mr. President, I suppose that in the opinion of Mr. Jamnadas Mehta, and perhaps of Mr. Chaman Lal, I stand before you as the weak-kneed representative of a spineless industry. I regret therefore that my knees must hold me up for a longer period of time than I generally take when I address this House. I am afraid that my subject is so large that I will not be able to compress it within the usual 10 minutes or a quarter of an hour which I think is generally as much as this House ever cares to listen to my voice. So my knees must be stiffened for this afternoon at any rate. I have not only to deal with my honourable friend Mr. Neogy's remarks and the points made by him and some of the other speakers, but I will have to deal with the question of the mill industry *vis-a-vis* the Government. Sir, Mr. Jamnadas Mehta's speech was, to say the least of it, unusual. He appears to possess a boundless admiration for the mill industry. He has assured this House, in spite of what may have been said by members on the benches opposite, that we are held by the people of India in great affection; and then he tells us that he is going to vote against the measure, which though admittedly, as he calls it, a dole, at any rate does do something to help us in our present difficulties. The fact is that whilst I was listening to Mr. Jamnadas Mehta I could not help thinking of the well-known words, "It is all very well to dissemble your love, but why did you kick me downstairs." (Laughter.)

Mr. President, I am afraid I cannot agree with Mr. Jamnadas and Mr. Neogy on the advisability of delaying this measure which is now before the House. On the contrary, the necessity of affording the mill industry of India any kind of help, however inadequate, is an extremely urgent one, and the urgency lies in the present situation in China. The internal troubles over there which appear to have no end are of a two-fold danger. In the first place, the closing of the home market to their products makes it necessary for the Chinese industry, working as it does under even worse and more unfair conditions than does Japan, to find a market; and in searching for this market it is up against Japan, who in her turn has also to find an outlet for that part of her production which the continent of China used to absorb. So that, we have not only China looking to India as an outlet for her surplus goods, but Japan doing the same. Now what will be the result? The result will be that in the immediate future we shall suffer a dumping war between these two countries. That I think is a very sound reason for pleading urgency, for that war, which appears to be just beginning, is likely to develop to its fullest extent during the next couple of months. That is why we must have any measure of protection that we are going to have *now*. We cannot afford to wait until all these goods have been dumped on our shores. In such circumstances the question of the costs of production is a secondary one, and we may find not only the medium counts of yarn from these countries attempting to oust the admittedly small percentage of 3 per cent. of our production which is in these qualities, but what is much more serious, their lower counts driving out the 25 per cent. of our production which is now consumed by the handloom industry in the form of these lower counts. Now it is here that the duty of 1½ annas offered is of value, amounting as it does to a protective duty of something like 13 per cent. on coarse yarn. This is no bogey which I am putting before the House. It is a very real danger. I am expecting at any time to hear that the namesakes of the firm of my honourable friend Sir Alexander Murray will be dumping on this country not only yarn but drills and my great fear to-day is not so much that this infinitesimal measure of protection will raise prices to the detriment of the handloom weaver or the consumer, but that it will fail to stem the wave of surplus goods seeking so urgently a market from the Far East. Mr. President, I wish to assure members opposite that we who are engaged in the power-driven industry have no desire of any sort to hurt, much less to kill our brothers who work handlooms. If I thought that the proposed increased duty on 10 per cent. of their output would cripple their industry, which to my mind is just as much a national industry as ours is—if I thought that even under the least favourable conditions the burden of 12 lakhs on the 30 crores of finished goods which they produce would really prove a severe handicap to them, I would not press this measure as I am now doing. It is because I do not believe that in practice the handloom industry will suffer any real

detriment that I am so insistent. I honestly believe that as regards the yarns mentioned, the dumping countries will lower their prices by the amount of the duty proposed, as they did when the excise duty was removed, so that the handloom workers will not have to pay more for their yarn than they are paying to-day.

On the other hand, I am perfectly prepared to admit that we in the mill industry will therefore not benefit. (Hear, hear.) All we can say is that the Government will benefit to the extent of something like 12 lakhs at the expense of the Japanese and Chinese exporters. But it is in hopes of keeping out the coarse yarn which we are supplying to handlooms to-day at a loss of 10 per cent., *i.e.*, 10 per cent. below our cost of production, that I am so strongly opposing delay. I want the House to realize that, even as it is, this proposed duty may not be sufficient to safeguard the spinning side of our industry. The loss on this side may be so great that the mills will find they suffer less by closing down and importing yarn from abroad manufactured partly from Chinese cotton and partly from American cotton and use this yarn to keep their looms busy, at the same time selling the cotton which they have got in stock, which they can do at a profit.

Now, sir, if this deplorable state of affairs comes to pass, what would be the position ? We shall have the hand-loom industry and the power-loom industry competing for this foreign yarn. And the mill industry, with its representatives in China and Japan, is likely to buy largely and so put up the price of this yarn against the small handloom buyers.

Will that be to their advantage in their competition with our mill-made cloth ? I say with the greatest confidence that they will suffer a great deal more than if, as at present, they are drawing their supplies from our spinning mills, spinning largely indigenous cotton, at a price which is below the cost of production.

Think, too, of the position of the workers who will be displaced from the spinning frames. It is all right to say that they can go back to their homes up-country, but those who understand these matters assure me that as regards at least 50 per cent. of the workers in Bombay, their poor little agricultural holdings cannot keep more than one member of their family, and the others can only be made welcome if they bring back in their pockets the money that they have earned at the Bombay mills.

What, then, is going to be the plight of these unfortunate men ? And, sir, remember that I am only now speaking of one section of our industry, the one whose existence is sought to be safeguarded by this Bill, and that the position of the other side, the weaving side, is by no means a rosy one.

Now, before going back to the main lines of my argument, I want to refer to one or two points which were made by my honourable friend, Mr. Neogy, in his speech. Mr. Neogy says, "Why not have an inquiry into the handloom industry now as to the effect of this proposed duty ?" I should have thought, sir, the reason was obvious. The information which we want is, " What harm is this duty doing to the handloom industry ; what are the practical effects of this duty ?" What we want are facts, and not mere opinions, and you cannot get those facts until you put this measure into force, and indeed, it may take a very long time, even when these facts exist, before the necessary information can be collected, when we consider the very wide ramifications of the handloom industry, and when we realize that it took six months to inquire in a fairly cursory manner into the affairs of the concentrated power-loom industry.

Now, Mr. Neogy was to my mind rather unfair on another point in his suspicions of the Government, when he asked why counts of 31s and 40s were chosen for special reasons. I will later on show how I think the influence of Lancashire has shaped the general tariff policy of the Government. But as far as these counts are concerned, I frankly think Mr. Neogy has been barking up the wrong tree. Lancashire has to pay just as much duty as Japan has on these counts, and Lancashire has not.....

MR. K. C. NEOGY (Dacca Division : Non-Muhammadan Rural) : But it is retaliation.

SIR VICTOR SASSOON: I beg your pardon. The advantage that Japan has is unfair labour conditions.

Now another of the points that Mr. Neogy emphasized, and which must have appealed to the House as it did appeal to me, was the question of coal as supplied to the mill industry. Now I know the firm of Currimbhoy Ebrahim and Sons very well and have the advantage of a personal acquaintance with the head of the firm, Sir Fazulbhoy Currimbhoy. Those of the members of this House who know Sir Fazulbhoy must have felt, as I felt, that it was inconceivable that he should have bought foreign coal at a dearer price than Indian coal, and so I wired to Sir Fazulbhoy, and I have received his answer, which is to the effect that all that he has done is to buy 1,500 tons monthly from a local coal merchant in Bombay, and he has asked for a selected grade Lodna Bengal coal but that he has put a clause in the agreement that at his option he can take some of the Natal coal already bought for import, if economy necessitates such action. Now, sir, that is a very different thing to saying that he has refused to buy the cheaper Indian coal and preferred to buy at a higher price. I am quite sure that if he is going to pay more for that Natal coal actually per ton of the Indian coal, it must be because the calorific value of that Natal coal is much higher; it has more heating properties, and is therefore actually, in work, cheaper than the other: and the mill industry of Bombay is not in such a state that it can afford not to buy in the cheapest market. We have to economise all our resources, and I do not think that Sir Fazulbhoy can be blamed for buying in the cheapest market. But at any rate I have now received a second telegram from Sir Fazulbhoy, and it says that he is prepared not to exercise his option to take Natal coal, although it is more economical. I hope, sir, that on the other hand my friend from Bengal will use his influence with the Bengal producers—I think we have one here. (Laughter.) May I appeal to the Honourable Sir Alexander Murray that he will see that the actual price of Bengal coal of equal calorific value is at any rate no higher than what Messrs. Currimbhoy Ebrahim would have to pay for their Natal coal? Sir, I have been asked to say that this would depend to a large extent on the question of freight. (Hear, hear.) I would appeal to Sir George Rainy to reduce the freight on coal from Calcutta, especially as I have a recollection that if he will look through his files, he will find that the Millowners' Association have lately been making representations to this very effect. As a matter of fact the question of coal for our industry is not as large a one as people might think, due to the fact that out of 83 mills, 72 are now operating by electricity which we get from the Hydro-Electric Works, and of the balance, five or six are now applying to get electric power; so I am afraid that my Bengal friends must not look to the Bombay mill industry as an outlet for very much of their coal.

Now, one last word and I shall have done with Mr. Neogy. He, and I think another member, was afraid of retaliation from the Japanese. I for one do not complain of any action which may have been taken by our Japanese competitors. Their industry has to live just as much as ours has, and their industry at the present time is in an even more difficult position than ours is, because their industry already supplies all the textile needs to their own people and therefore they have to look for an outside market. We are in a position of not even being able to supply all the needs of our home people. Now, whatever may be thought of the Japanese nation, I think it will be admitted that they are a very clever commercial nation, and I think I can assure Mr. Neogy with no inside knowledge or any special knowledge, that the Japanese nation buys our pig-iron, for instance—he mentioned pig-iron—not because she has any special feelings of brotherly love or affection for India, but because pig-iron is a very necessary raw material which she needs and it is cheaper from India than it is from America or any other country. I shall, however, tell Mr. Neogy that Japan is at the present minute developing the production of her pig-iron and I have no reason to doubt that when she has a sufficient output of pig-iron from Korea to satisfy her own needs, there will be a duty on not only our pig-iron but on all foreign pig-iron, whether you pass this Bill or you do not. And the same applies to the other main exports of this country to Japan, for instance, cotton. Is Japan going to put a duty on all cotton? The House must remember that as under the treaty we are debarred from singling out Japan, similarly Japan is also debarred from singling us out. To carry into effect the point mentioned by Mr. Neogy, Japan must put a duty on all pig-iron, on all cotton and on jute products and if she does so, I think that will be a case of cutting her nose to spite her face; and therefore I do not think we need have any fear of any retaliation on that score. Now, I have done with Mr. Neogy.

I am not able to deal with the remarks that have been made by some speakers, because on this side of the House owing to the accoustics I am afraid we lost the advantage of appreciating what the eloquence of Mr. Duraiswamy Aiyangar, for instance, was about; so I must leave that to another speaker. But I did hear, I think, that a handloom weaver only made three annas a day. If I did, surely that cannot be the normal wage of a handloom weaver all over India; otherwise I may find my friend Mr. Joshi, and probably even Mr. Chaman Lall, asking me to try and get a loan from the Government to increase our industry, so as to be able to employ all these poor handloom weavers. For, at the present moment, if what we are told is right, it must really be a sweated industry. Even the very poorest wages paid in India—and these wages I may say are a great deal lower than what we pay in Bombay. Let me take the wages in Pondicherry, where, I find, that they pay their hands anything from 50 per cent. (higher rate) down to 33 per cent. of what we do in Bombay. Madura pays anything from 75 to 44 per cent. of what we do in Bombay. And yet, even those miserable wages will be better than the three annas a day which we are now told is all that the handloom industry is paying. Sir, if that is true....

MR. B. DAS:—What about the cost of living in Pondicherry?

SIR VICTOR SASSOON:—I do not care how low the local cost of living is. The real wages of those unfortunate people must be better than those of anybody earning only three annas. And if this is really the case, the great problem before this House is what to do to alter the situation that allows anybody in this country to only earn three annas a day, and before trying to attack an industry or particular part of the industry like Bombay, which does pay an average of Rs. 30 per month to its workmen, it seems to me that there is a large beam to be taken out of somebody else's eye.

MR. C. DURAISWAMY AIYANGAR:—You shift your mills outside Bombay.

SIR VICTOR SASSOON:—Now, sir, I would like to deal with one or two other speakers. We are very much interested in the remarks made by Mr. Alexander and I am sure we all hope he is right and that world conditions will change and that prosperity will come to this country. I have not been in this country as long as he has, but I know that for the last three years we have had fairly good monsoons, and I have always been told that things were going to be better, and they have not been. And as my informants have all been in this country for something like 30 years I cannot feel, even after hearing Mr. Alexander's remarks, as optimistic as I might be. Mr. Alexander made an assumption, which, I am afraid, I am in a position to contradict. He assumed that all the mills bought a year's stock of cotton, I take it, at the beginning of the year. Of course those mills which bought their year's supply of cotton in the beginning of this year, when cotton was down, will naturally not make a loss this year; but that, by no means, is the general state of affairs and the House will soon realize that if you buy a year's supply of cotton you are gambling in cotton, because what would have been your position two years ago when the cotton market slumped. You would have got dear cotton on your hands and would not have been in a position to compete with mills which had not stocked their cotton and therefore were enabled to buy cheaper raw material. As a matter of fact, it is generally considered undesirable for a mill to speculate in cotton. It does so in this country to some extent; it has to; but on general principles, I do not think that you could count a speculative profit as a legitimate trade profit, because it might as easily have been a speculative loss.

Mr. Chaman Lall—I regret he is not in the House just now—has made certain charges against the mill industry, which I feel bound to refer to, although it may mean that I am taking more time than I had intended. He made a general statement that no efforts to increase the efficiency of the millhands had been made by the millowners. It is true that he practically contradicted that same statement, because a little later on he admitted that in my own group of mills there had been a strike because we had tried to increase the efficiency of the millhands and they did not want to have their efficiency increased. In that connection Mr. Chaman Lall says that we did not give them the necessary labour-saving devices. I can assure the House that in my group of mills they have just as good labour-saving devices as they would have in Lancashire or Japan or anywhere else. We natur-

ally gave our men everything that they needed to enable them to look after 3 or 4 looms. We naturally, instead of letting them go and supply themselves with weft, have supplied them with facilities for it being fetched for them. The accusation is frankly inaccurate. We are trying our best to increase efficiency because it will not only increase the wage of the millhand but will enable us to reduce our cost of production which at the present minute means not that we are going to make a bigger profit but that we are going to make a smaller loss during the very critical period which we are now going through. Mr. Chaman Lall also says that millowners have approved of bribes being taken by jobbers. I can only speak for our own mills. I can only speak about what I know and we have done everything we can to stop these jobbers taking bribes. Our difficulty has been that not even one man has ever told us that he was asked for bribes. It was only when we dismissed a jobber as we did for something quite different, and after the men threatened to go on strike if he were dismissed, that we found out after he had gone that they were very glad that he had gone because he had been taking bribes from them. But they were frightened to tell us before so as to enable us to get rid of this obvious injustice. Mr. Chaman Lall then referred to the profits of the millowners. He has an extraordinary method of calculating profits. He apparently thinks that if you take the profits for a period of years—it may be 5, 10 or 15 years—and if it comes to over 100 per cent. then capital is not entitled to anything more. He apparently follows the tenets of my Mussalman friends who object to any interest being earned on money. He is entitled to his own point of view, but this is not the usual commercial point of view. When you want to know what profit an industry has made, you naturally divide the profit by the number of years and so get the figure of the yearly profit. Although Mr. Chaman Lall may be entirely right when he mentions that there was something like 175 per cent. profit for a term of years, I am equally right when I say that the average yearly profit for 10 years including the boom years is only 7½ per cent., taking into account the amount required for depreciation. Now, as the Tariff Board themselves admit, 8 per cent. is a fair return. The consumer, if I may use a slang expression, has nothing to kick about. Whatever we have taken away from the consumer in the boom years we have given back to him since. So he really owes us ½ per cent. per annum. I take it that this small measure is supposed to represent that ½ per cent. average for 10 years which we have not yet got out of the consumer.

Now, sir, I should like to deal if I may with my friend the Honourable Member in charge of this Bill and here I am in somewhat the same position as my friend Mr. Jamnadas Mehta because, although I am supporting the Bill, I am going to attack my honourable friend. My honourable friend objects to the word "protect" and prefers the word "safeguard," the word which we altered in the Preamble of the Bill in the Select Committee. Personally I do not care which word he uses as long as it carries out the dictionary meaning of the word. What I say is this: whatever words you may be using, this Bill is not going either to protect or safeguard the industry if in spite of it the yarn industry cannot live. Can you say that you safeguard an industry if that industry dies? Some of the remarks of my honourable friend were extremely interesting. I was reading over his speech when he moved the reference of this Bill to a Select Committee and I noticed with peculiar interest a remark of his that an Indian cotton manufacturer was entitled to come to the Indian Legislature and say: "If I am to be subjected to a restriction from which my rivals from other countries are free, then I ought to be compensated in some way, because these restrictions raise my cost of production." The Honourable the Commerce Member added that it was "a perfectly tenable line of argument." So, I take it that my honourable friend is in agreement with his own statement. (Laughter.)

Now, sir, the exports of our mill products to the Levant and East Africa have increased during the last year which I see is looked on with approval by certain trade journals. The reason why these exports have increased was that most of us decided that we must try and get back our lost markets and therefore we sold our products at any price irrespective of the fact whether that price showed a profit or a loss. As a matter of fact, the prices at which these goods were sold have shown a loss. I may here point out to the Honourable the Commerce Member that the exchange policy of his colleague the Honourable the Finance Member is responsible for the fact that the manufacturers in this country have found themselves at a disadvantage as compared with their competitors in other countries. (Hear, hear.)

I now take up what my honourable friend terms "a perfectly tenable line of argument," and ask him whether this action has not raised our cost of production in terms of foreign currencies resulting therefore in a form of unfair competition and whether adequate relief should not be afforded to us. Further, the Commerce Member has stated that this duty has been put on to make up for the unfair competition of Japan, but it is no secret that the Japanese themselves consider that they are seriously handicapped by the even more unfair competition that takes place in China. When I was there the mills were working two shifts of 12 hours each with half a day off every other week, and I have seen with my own eyes children of 8, 9 and 10 years working at ring frames without any pay as a favour to their parents. It sounds rather ridiculous, but the parents say that they want their children to work even without pay because after they have worked for a short time and learnt their business, they could then go to earn their livelihood.

Now, sir, what adequate relief has the Honourable the Commerce Member offered to us. He has pointed out that there is no treaty with China such as we have with Japan, so he can put a special import duty on Chinese goods. He must know the conditions of work in China and yet there is no suggestion in his speech that he is going to investigate these points at once and give us any relief for them. He merely says that if, when the Japanese have carried out the terms of the Washington Convention, it is found that we are suffering from the imports of yarn from China, then the present duty will remain on. But it ought to be clear on his own showing that we should get additional relief from China. I consider this a very unsatisfactory statement on the part of the Commerce Member and I consider as much as my honourable friend Mr. Jamnadas Mehta or anybody else in this House that the mill industry is being scurvily treated by the Government.

Mr. President, if this had been Japan, if Japan had been in the position that we are in to-day, it is easy to imagine what steps would have been taken to mend matters. I have here a bulletin from the *Japanese Financial and Economic Monthly*. I do not propose to follow in the footsteps of my friend Mr. Duraiswamy Aiyangar and read it all.

MR. C. DURAISWAMY AIYANGAR:—You cannot afford to read the whole of it.

SIR VICTOR SASSOON:—I would merely point out that the Japanese Government has laid down that in protecting industries half-hearted measures would do no good. If this were Japan I can see the Government in these conditions putting a penalising protective duty on high counts of yarn and cloth. I can also see the natural corollary that our mills will then turn to making yarn of higher counts and that our handlooms with adequate protection would buy this yarn and turn it into a high grade cloth instead of weaving the low grade cloth they do now—thus relieving the pressure on the mills in their output of low class cloth: then the whole industry would benefit, although admittedly this would be at the expense not only of Japan but also of Lancashire, but I suppose, no such heresy will ever be tolerated by the Government of this country.

So, as we have not got the benefit in this country of a Government like the Japanese Government and as we are poor beggars, we have to take whatever is offered to us. I know some of my friends opposite want me to join them in a heroic gesture. They want me to say, "We wanted bread, you throw us a crust; we cast it back in your face." But that is all very well for the politician. (Laughter.) We have to live on that crust, and if it prolongs our existence by even one hour, we cannot afford to be proud and spurn it.

The position is that the mill industry is like a poor wounded man lying in the road. Mr. Jamnadas Mehta says, "This man needs an ambulance." Mr. Jamnadas is entirely right. He does need an ambulance to take him to the hospital, but all that is offered to him is a broken crutch. He cannot go far or fast on this crutch, but he takes hold of it and stumbles towards the town in the hope that somebody will help him on the road. But Mr. Jamnadas says he should not take the crutch but remain lying on the road while he apprises the municipal authorities. Unfortunately, Mr. Jamnadas cannot guarantee to us that we will ever get this ambulance or I would certainly join him. (AN HONOURABLE MEMBER: "It might be the funeral.")

MR. JAMNADAS M. MEHTA (Bombay City: Non-Muhammadan Urban):—If you work with me you will get it.

SIR VICTOR SASSOON :—I say on the floor of this House that unless there is a change in world conditions, this protection which is offered us is not enough. I tell the Government that it is taking a very serious risk. I tell the Government that it is taking the risk of receiving the congratulations of our foreign competitors for having so successfully crippled, if not killed, the second largest industry in this country.

And so, I appeal to Mr. Neogy not to press his amendment, because, I know that the last thing in the mind of Mr. Neogy and his friends is to do anything to wreck the Indian industry for the benefit of foreign competitors. (AN HONOURABLE MEMBER : "Not yet.") I know that. But I must warn Mr. Neogy and his friends that if he persists in his amendment and if he carries it, it means the dropping of this Bill, it means that the Government will have the right to say to him afterwards, if anything untoward happens to our industry, "Whatever the defects of our Bill it did afford protection to the coarse yarn manufacture of the country, and by rejecting this Bill, you have given India's foreign competitors the opportunity of attacking this vital spot, and had this not happened, the industry might have carried on." It is because I know that the bulk of the members of this House have no antagonism to the mill industry, which does not only consist of a few millowners, not only consist of a few thousand shareholders, but consists of a population of mill agents, shareholders, and working people, and know that everything that hurts us (the masters) is not going to be borne by us alone, but is also going to be borne by the work-people, I feel that I shall not have made my appeal in vain.

APPENDIX 10.

INDIAN TRADE MISSION.

No. 1509-C.

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
SIMLA, *18th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to invite the attention of your Association to paragraph 101 of the report of the Indian Tariff Board (Cotton Textile Industry Enquiry), in which it is emphasized that the development of the export trade is a matter of vital importance to the Bombay mill industry. It is explained elsewhere in the report that this development is essential to compensate for the loss of the China trade in yarn, and it is pointed out that the difficulty of finding an outlet in the home market has been accentuated by the increasing competition of mills in other parts of India.

2. The Trade returns show that the exports of yarn and piecegoods from India since 1922-23 have been as follows:—

	YARN.	PIECEGOODS.
	Millions of lbs.	Millions of yds.
1922-23	56·9	157
1923-24	38·5	165·3
1924-25	36·5	181·5
1925-26	31·9	164·8
1926-27	41·5	197·4

These figures show that there has been a steady increase in the export of piecegoods since 1922-23, and that the set-back in 1925-26 was more than made good in 1926-27. The exports in yarn also in 1926-27 were the highest since 1922-23. By far the greater part of these exports are from Bombay, and it is clearly of the greatest importance to the Bombay industry that every effort should be made to accelerate this progress.

3. The Tariff Board have said that the first essential is the collection of adequate information in regard to the markets in which there is any prospect of developing the export trade. Your Association had suggested to the Board that six Trade Commissioners should be appointed for this purpose, namely, at

Alexandria, Aden, Basra, Mombasa, Durban and Singapore.

The Board recommended that the number should be limited in the first instance to two, one at Basra and one at Mombasa, and that other countries should be surveyed by a small Trade Mission before any further appointment is considered.

4. The Government of India are anxious to co-operate in every way possible in the development of the export trade, on which, as they recognise, the future welfare of the Bombay industry, in particular, largely depends. They are not satisfied, however, on the information available, that Basra and Mombasa are places at which the appointment of Trade Commissioners would be indisputably repaying. And before coming to any decision on the desirability of appointments at these or other places, they would prefer that the whole question should be more closely examined. They consider, therefore, that it would be advisable in the first instance to send a small Trade Mission to make a rapid survey of these and other countries, to report on the potentialities of the markets for Indian goods and to make recommendations.

5. The Board recommended that the mission should consist of two persons, one of whom should be an official and the other a nominee of the Bombay Millowners' Association, and that the expenses should be borne by the Government of India. I am to ask for the views of your Association on this proposal, and whether your Association would be prepared to co-operate in such a mission. In the view of the Government of India, if a mission is sent, it should not be delayed, but should leave India at the beginning of the forthcoming cold weather.

6. The Tariff Board also commented on the desirability of combined action by your Association in pushing the export trade. They were strongly of opinion that the appointment of Trade Commissioners should be made conditional on the acceptance by your Association of the Board's recommendation that a strong sub-committee of your Association should be constituted, whose sole function it would be to deal with matters connected with the export trade, and with which the Trade Commissioners would be in close touch. Your Association will doubtless consider this recommendation of the Board's, and will inform the Government of India of their conclusions in due course.—I have, etc.,

G. L. CORBETT,
Secretary to the Government of India.

No. 1814/148 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *4th October*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

I am directed to acknowledge the receipt of your letter 1509-C dated 18th August 1927, on the subject of the export trade. Your letter has received the closest consideration of my Committee and they are in entire agreement with the Government of India as to the advisability of making a serious effort to accelerate the progress of India's export trade in cotton piecegoods and yarn.

2. My Committee note with pleasure that in this matter the Government of India are anxious to co-operate in every way possible, and, as an earnest of their intentions, have agreed to the suggestion made on page 195 of the Tariff Board report that a preliminary survey should be undertaken by a small mission to ascertain the potentialities of the markets for Indian goods in Burma, Federated Malay States, Dutch East Indies, Ceylon, Persia, Iraq, The Levant, Egypt, the countries bordering the Red Sea and the East Coast of Africa as far south as Durban, and that the Government of India are prepared to bear the expenses of such a mission. My Committee, speaking on behalf of the Association, are fully in accord with this proposal and are prepared to give the mission every assistance in their power. In view of the importance which they attach to the activities of the mission, they have consented to release the Secretary of the Association, Mr. T. Maloney, for service with the mission for the full period of the tour. My Committee would also like to suggest for the consideration of Government the inclusion in the mission of a business man with special knowledge and long experience of the export trade who could act as adviser to the other members of the mission in regard to trade details, if a suitably qualified Indian could be found. My Committee agree that it would be inadvisable to incur any undue delay, and, subject to the arrangement being suitable, wish to suggest that the mission should set sail not later than December 1st.

3. If the Government of India consider it advisable, Mr. Maloney could be released from his present duties at a somewhat earlier date than that referred to above, in order to confer with the Government of India in regard to the exact itinerary of the tour and details regarding staff, etc.

4. With reference to the last paragraph of your letter under reply, I am desired to state that the strong sub-committee recommended by the Tariff Board, whose sole function should be to deal with matters connected with the export trade, not only already exists, but has been working vigorously and effectively for some time. Hitherto this sub-committee have been handicapped by the absence of Indian Trade Commissioners and the paucity of information collected concerning the export markets by the Government of India, but they have managed to gather a considerable amount of information regarding the markets for Indian piecegoods and yarn from the Governments of the territories concerned and from other sources, and will be in a position to make the fullest use of any further information which will be collected by the mission for the benefit of the industry.

Awaiting the favour of a very early reply.—I have, etc.,

T. MALONEY,
Secretary.

No. 1509-C.

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
NEW DELHI, 13*th January*, 1928.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Trade Mission.

I am directed to forward, for the information of your Association, a copy of this Department's Resolution dated the 14th January 1928, on the above subject.—I have, etc.,

L. SEN,
Assistant Secretary to the Government of India.

No. 1509-C.

GOVERNMENT OF INDIA,

DEPARTMENT OF COMMERCE,

NEW DELHI, *14th January*, 1928.

Resolution.

COMMERCE.

In accordance with the recommendation in paragraph 101 of the Report of the Indian Tariff Board (Cotton Textile Industry Enquiry), the Government of India have decided to send a Trade Mission to certain countries in the near East and in Africa to make a survey of their potentialities as markets for Indian cotton goods and to make recommendations for the encouragement of the export of cotton manufactures from India, including the appointment of Indian Trade Commissioners where desirable.

The mission will consist of Dr. D. B. Meek, Director-General of Commercial Intelligence and Statistics, as Government representative and Mr. T. Maloney, Secretary to the Bombay Millowners' Association, as the representative of the Indian cotton textile industry, and will also be accompanied by a Commercial Adviser, Mr. Jeevandas Purshotam Dutia of Messrs. Lalji Naranji and Company, to advise it on technical questions that will arise in the course of its investigations.

The mission will start on or about the 27th January 1928, and is expected to finish its work in about 5 months.

APPENDIX 11.

SOUTH AFRICAN MARKET FOR INDIAN PIECEGOODS.

Extract from the "Times of India," dated 28th September 1927.

VIRGIN MARKET FOR PIECEGOODS.

South African Demand.

In view of the criticial state through which the cotton textile industry of Bombay has been passing one would have thought that the local millowners would eagerly welcome every opportunity of developing their trade in fresh and unexplored regions. That, however, was not the experience of an overseas visitor to Bombay who was most anxious to establish trade relations between this country and South Africa but who is returning home more or less disappointed.

"I have been in India about four months," Mr. J. B. Madden told a representative of the *Times of India*, "representing different commercial interests in South Africa both from the point of view of export from and import to India. I have been asked, particularly by people who are interested in cotton piecegoods in South Africa, to inquire into the conditions and the possibilities of direct trade particularly between mills in Bombay and merchants in South Africa. I have not had many opportunities of visiting mills but I have seen a few

representatives of the mill industry in India and I find that as far as direct trade between the mills and the importer in South Africa is concerned the millowners in Bombay are rather apathetic."

Demand for Piecegoods.

This was news to the interviewer and Mr. Madden was asked to explain the position more fully. He said that cotton piecegoods as manufactured in India were eminently suitable for the South African market because the bulk of their population was native population and they used large quantities of cotton goods. At present the trade done with Africa was confined principally to Kenya and Tanganyika Colonies but very little was being done with South Africa. "I wish the mills in Bombay to realize," Mr. Madden continued, "that in parts of South Africa the only form of clothing used by the native is a cotton blanket. These blankets are supplied by Manchester in large quantities and there is no reason at all why this business should not be handled by India." Whereas Manchester mills were directly represented in South Africa there was at present no organization for direct trade between Bombay mills and the South African merchants. As a striking illustration of this lack of selling organizations Mr. Madden mentioned that it had come to his knowledge that cotton blankets manufactured in India had been shipped to Manchester and resold to South Africa!

There was also immense scope for developing a trade in ready-made clothing and light wear with South Africa. Since the war very little had been exported to South Africa in these lines. Calcutta had a certain market for this class of goods in South Africa but Mr. Madden thought this might not continue for long as the Union Government might stop the imports of these goods by protective duties so as to protect the factories which were springing up fast in South Africa for producing ready-made clothing.

Imports into India.

Speaking about imports into India from South Africa Mr. Madden said there were great possibilities of developing trade in dairy produce, fruit and jam. The only handicaps to such development at present were the lack of shipping and cold storage facilities in India. So far as shipping facilities are concerned he thought the time was not far distant when there would be a keen competition between the existing lines of steamers between India and Africa and some foreign companies.

Mr. Madden emphasized that what was wanted at the moment was the establishment of direct trade relations between the two countries. In this connection he mentioned that the appointment of the Rt. Hon'ble Srinivasa Sastri as Agent-General in South Africa could not by itself be expected to be helpful in the development of trade between the two countries as Mr. Sastri's mission was more political than commercial. If, however, the possibilities of direct relations had been demonstrated, the Governments of the two countries would not be slow to appoint Trade Commissioners.

One important fact which must not be lost sight of is that freight rates must go down below the present level to enable manufacturers in India to successfully compete with Manchester because at present Manchester has open to it cheap rates of freight to all parts of the Union Government whereas India has only Durban and the East African Coast open to it.

Mr. Madden is sailing for South Africa on Wednesday after leaving in the hands of Mr. Soomer of Messrs. Soomer Brothers of Bombay, a firm having trade relations with South Africa, all the information which is likely to be helpful to Indian manufacturers wishing to establish trade relations overseas.

Extract from the " Times of India, " dated 29th September 1927.

South African Market for Indian Piecegoods.

Reply to Apathy Charge by Mr. H. P. Mody, Chairman, Bombay Millowners' Association.

Mr. H. P. Mody, Chairman of the Bombay Millowners' Association, interviewed by a representative of the *Times of India* with regard to the views expressed by Mr. J. B. Madden, representative of different commercial interests in South Africa, about the possibilities of developing the export trade of Indian piecegoods, particularly in relation to South Africa, explained the attitude of the Bombay millowners on the question.

Mr. Mody said: Mr. Madden seems to imply that the Bombay mills have neglected obvious chances of developing their trade with South Africa and that there are immense possibilities of trade development. The Bombay Millowners realize only too well why it is that they have not been able to develop an extensive market in South Africa. Mr. Madden himself points out one of the chief reasons when he states that " freight rates must go down below the present level to enable manufacturers in India to compete successfully with Manchester, because at present Manchester has open to it cheap rates of freight to all parts of the Union, whereas India has only Durban and the East African coast open to it." It must be pointed out in this connection that the freight rate from Bombay even to Durban is very high indeed.

British Supremacy.

Another point which Mr. Madden, who is probably not a textile expert, failed to appreciate when he painted such a rosy picture of the prospects of developing trade with the Union is that the bulk of the piecegoods sold in South Africa are printed goods. As is well known there is practically no machine printing in India and the Tariff Board recognized that such an industry could not be established in this country without very considerable assistance from the Government of India. A reference to the United States Department of Commerce Report, No. 219, on cotton goods in British South Africa shows that grey goods, which form the staple part of the production of Bombay mills, form a comparatively unimportant item in the import trade into South Africa. The same report specifically points out several other reasons why countries other than Great Britain hold such a small proportion of the trade. It is there stated that " throughout the trade in South Africa, wholesale and retail, soft goods departments are under the control of Manchester men. It is not contended that these men purchase from English sources because they are English, but it is only natural that they should lean towards the goods which they have known and handled all the years since apprenticeship. It is also true that trade follows the flag and that the sentiment of British traders and importers has assisted British manufacturers in getting and holding the trade."

The Stumbling-Block.

With the development of the coloured goods trade in Bombay, it may be that imports to South Africa will increase in the near future and several of the more prominent Bombay firms have either appointed representatives or opened their own offices in the Union of South Africa during the last few years. In recent years Bombay's exports to the Union have fallen considerably. One reason for this fall has been the severe blow dealt to the industry by the fixation of the rupee at 1s. 6*d.*, which has given a preference of approximately 5 per cent. to all her competitors, but the greatest stumbling-block to trade at the present time is the fact that the Government of South Africa allows the imports of piecegoods from the United Kingdom to enter the Union on payment of a duty of 7½ per cent. whereas Indian piecegoods have to pay an import duty of 12½ per cent. As an earnest of the Union Government's desire to promote her trade with India, the first step which should be taken should be to allow Indian goods to enter her ports on the same terms as goods from the United Kingdom. The Government of India should also assist by sparing no efforts to obtain equitable freight rates from this country to South Africa's southern and eastern ports.

APPENDIX 12.

WATER TAX PAYABLE BY BOMBAY COTTON MILLS.

No. 2419/193 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *9th December*, 1927.

THE MUNICIPAL COMMISSIONER FOR THE CITY OF BOMBAY,
BOMBAY.

SIR,

My Committee are given to understand that the Municipal Budget will shortly be considered by the Corporation and with reference thereto I am instructed to call attention to the recommendation made by the Tariff Board that the water rate per 1,000 gallons should be reduced to the 1920-21 level.

2. The Tariff Board state in paragraph 57 of their report:—

> " The high cost of water in Bombay has undoubtedly been a factor in retarding that development of the bleaching industry which is, as we shall show, very necessary in the interests of the industry. Contrary to what is, we believe, the almost universal practice, it is the consumer of water on the largest scale who, in Bombay, is charged the highest rate for it, the charge for cotton mills being 16 annas per 1,000 gallons against eight annas per 1,000 gallons for private consumers who pay by measurement and two to three annas per 1,000 gallons for consumers who pay on rateable value only. The rate was raised from 7¾ annas per 1,000 gallons in 1921-22 to 12 annas per 1,000 gallons in 1922-23 and again to 16 annas per 1,000 gallons in 1925-26. The Bombay Millowners' Association state that the additional burden on the industry imposed by the increased charge in 1925-26 was Rs. 2·54 lakhs. That the charges for water press with undue heaviness on the mill industry has been recognized whilst our enquiry has been in progress and a reduction has been suggested by the Municipal Commissioner to the Standing Committee of the Bombay Municipal Corporation, the reduced charges to come into effect from April 1st, 1927. In these circumstances, we need do no more than point out that a supply of cheap water is a matter of very great importance to the Bombay mill industry and that a further reduction to the old level of charge is eminently desirable as soon as financial conditions permit."

3. In the same connection, my Committee have in the past few years made several representations calling the Municipality's attention to the inequitable rate, which the industry has been called upon to pay for its supply of water, and the necessity for a reduction in the charges in the interests of the trade, and my Committee trust that the arguments advanced in these representations will be given the fullest weight when the water rate for the coming year is being discussed by the Standing Finance Committee and the Corporation as a whole.

4. The present state of the industry is most precarious, and its prospects for the coming year are as bad as they possibly could be. At the present moment more than 20 per cent. of the spindles and nearly 10 per cent. of the looms in the City and Island are idle, the price of cotton is high owing to a small American crop, and the prices realized for yarn and cloth have fallen very considerably. The mills are making the most strenuous efforts to overcome their difficulties, and expenditure has been cut down in every direction, and my Committee trust that these facts will weigh with the Municipality when the water rate is fixed for 1928-29. A reduction in the rate to 7¾ annas would mean a saving of between Rs. 2 and Rs. 2½ lakhs to the industry—a not inconsiderable saving in these times when every pie of expenditure has to be carefully watched.—I have, etc.,

T. MALONEY,
Secretary.

No. 2420/193.

Copy forwarded to the Chairman, Standing Finance Committee, Bombay Municipal Corporation, Bombay, for information.

T. MALONEY,
Secretary.

APPENDIX 13.

LEVY OF FEES FOR ELECTRICAL INSPECTION AND ELECTRICAL TESTING AT THE GOVERNMENT ELECTRICAL LABORATORY.

No. 940-M.

PUBLIC WORKS DEPARTMENT,
BOMBAY CASTLE, *24th November*, 1926.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Levy of Fees.

I am directed by the Government of Bombay to forward herewith for your information a copy of each of the Government Notifications* mentioned below :—

(*i*) No. 940-I, dated 15th November, 1926.
(*ii*) No. 940-II, dated 15th November, 1926.

2. Government have very carefully considered the matter and in the light of the various objections or suggestions received have so modified the original draft rules as to eliminate the levy of fees for the inspection of all ordinary domestic installations. Certain scales of fees have also been reduced and it is now hoped that these modifications will meet what is perhaps a real and legitimate fear on the part of those that generate, distribute or use electric energy, namely, that the levy of these fees will adversely affect the use of electricity.—Yours faithfully,

N. N. AYYANGAR,
Under Secretary to the Government of Bombay,
Public Works Department, Roads and Buildings.

No. 68/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *11th January*, 1927.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS), BOMBAY.

SIR,

SUBJECT :—*Levy of Fees.*

I have the honour to acknowledge receipt of your letter No. 940-M. dated 24th November 1926, under the above heading giving cover to Government Notifications Nos. 940-I and 940-II, dated 15th November, 1926.

* Not printed. The notification as regards the fees levied for electrical inspection of mills was substantially the same as that printed on page 461 of the 1925 Report and there were no reductions.

2. My Committee have no comments to make regarding Notification No. 940-II.

3. As regards Notification No. 940-I, I am directed to remind you that my Committee by their letter No. 916/109 dated 31st July 1925 protested strongly against the notification originally published in the *Bombay Government Gazette* of 14th May 1925. It is a matter of considerable surprise to my Committee that their letter of 31st July 1925 should have elicited no reply from Government, and that Government should have brought into effect the scale of fees originally notified, without considering the hardship that would be entailed thereby on cotton mills and other factories which have already to pay heavy fees for electrical inspection by the officers of the Bombay Fire Insurance Association, as pointed out in the Association's letter of 31st July 1925.

4. In your letter under reply it is stated that Government very carefully considered the original notification in the light of the various objections and suggestions received and had so modified the original draft rules as to eliminate the levy of fees for the inspection of all ordinary domestic installations, and further that certain scales of fees had also been reduced, and that Government hoped that "these modifications would meet with what was perhaps a real and legitimate fear on the part of those that generate, distribute or use electric energy." My Committee, however, find that the notification of 15th November 1926 is the same as the original notification of 9th May 1925, except that the scale of fees for inspection of electrical installations in theatres and other places of amusement is reduced by 5%. Government, therefore, would appear to have given inadequate consideration to the case put forward by this Association on behalf of the mill industry of Bombay, and my Committee respectfully request that Government may be pleased to reconsider the whole matter.

5. My Committee do not desire to reiterate the case stated in their letter of 31st July 1925, but they wish to urge once again, with all the emphasis at their command, that if Government are unable to forgo entirely the fees they have levied from the 1st instant for the first time, they should at least exempt mills and other concerns which are already paying heavy fees to the Fire Insurance Association for electrical inspection. As pointed out in the Association's letter of 31st July 1925, these fees were substantially increased by the Fire Insurance Association in 1921, and my Committee trust that in the present critical state of the mill industry Government will recognize the inadvisability of imposing on mills another charge for electrical inspection.

6. My Committee hope Government will see their way to exempt mills from these newly-levied fees, if the total cancellation of the notification be not deemed possible. My Committee would like to depute two or three members to the Hon'ble Member in charge to discuss the whole matter with him, and they will feel much obliged if the Hon'ble Member in charge would make it convenient to accede to my Committee's request, at an early date.—I have, etc.,

T. MALONEY,
Secretary.

No. 234/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *29th January*, 1927.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS), BOMBAY.

SIR,

Levy of Fees for Electrical Inspection.

I have the honour to invite reference to the Association's letter No. 68/21, dated the 11th instant, and to request that a very early opportunity might be given to two or three representatives of the Association to discuss the whole matter fully with the Hon'ble Member in charge as stated in the last para of the letter.—I have, etc.,

T. MALONEY,
Secretary.

No. 354/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 15*th* FEBRUARY, 1927.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS), BOMBAY.

SIR,

I am directed to call your attention to my letters No. 68/21 and 234/21, dated the 11th and 29th January 1927 respectively, and to enquire when a reply to the Association's request for an interview with the Hon'ble Member in charge may be expected.—I have, etc.,

T. MALONEY,
Secretary.

No. 590/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 28*th March*, 1927.

Very Urgent.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS), BOMBAY.

SIR,

SUBJECT :—*Levy of fees for the services of Electrical Inspectors.*

I have the honour to invite your attention to this office letter No. 68/21 of 11th January 1927 on the above subject and subsequent reminders Nos. 234/21 and 354/21, dated 29th January and 15th February respectively, and to enquire when a reply to the Association's request for an interview with the Hon'ble Member in charge may be expected. —I have, etc.,

T. MALONEY,
Secretary.

No. 940-M.

PUBLIC WORKS DEPARTMENT,
BOMBAY CASTLE, 13*th April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Levy of Fees for the services of Electrical Inspectors.

With reference to your letter No. 68/21, dated 11th January 1927, and subsequent reminders, I am directed by the Governor-in-Council to inform you that the Honourable Mr. J. L. Rieu, C.S.I., I.C.S., will grant the interview asked for by you in Poona in June next, on a date to be decided later.—I have, etc.,

T. A. ANDREW,
Under Secretary to the Government of Bombay.

No. 795/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *9th May*, 1927.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS), BOMBAY.

SIR,

Levy of Fees for the services of Electrical Inspectors.

With reference to your letter No. 940-M., dated 13th April 1927, I have the honour to state that my Committee have appointed Mr. F. Stones to confer with the Hon'ble Mr. Rieu in connection with the above matter in Poona next month.

Will you kindly let me know in due course the exact date on which Mr. Stones may interview the Hon'ble Mr. Rieu ?—I have, etc.,

T. MALONEY,
Secretary.

No. 940-M.

PUBLIC WORKS DEPARTMENT,
BOMBAY CASTLE, *7th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Levy of Fees for the services of Electrical Inspectors.

In acknowledging receipt of your letter No. 795/21, dated 9th May 1927, I am directed by the Governor-in-Council to state that certain further information is being called for in the matter, and that as soon as it is received, a further communication will be sent to you regarding the date of the interview.—I have, etc.,

(Sd.) Illegible,
For *Under Secretary to the Government of Bombay.*

No. 1195/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *8th July*, 1927.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS), BOMBAY CASTLE.

SIR,

Levy of Fees for the services of Electrical Inspectors.

With reference to the correspondence ending with your letter No. 940-M. of the 7th ultimo, I have the honour to state that my Committee have learnt with considerable surprise that certain mills have already been called upon to pay fees for electrical inspection. It is now six months since my Committee requested that an interview may be granted to their representative by the Honourable Member in charge. The promised interview, however, has not been granted, and it is hardly fair that in the meantime mills should have been called upon to pay fees for electrical inspection. Possibly the Electrical Department are not aware of the fact that an interview has been promised to the Association's representative by the Honourable Member in charge, and my Committee request that immediate orders be issued to the Electrical Department not to demand any fees from mills for electrical inspection, pending the discussion between the Honourable Member in charge and Mr. Stones, the Association's representative, on the points in issue.

2. I am also directed to request that the Hon'ble Mr. Rieu may be pleased to accord Mr. Stones an interview at the earliest possible moment. I may add that Mr. Stones is to-day going to Simla as a member of the Millowners' Deputation to His Excellency the Viceroy and he will be back in Bombay a week hence.—I have, etc.,

T. MALONEY,
Secretary.

No. 1379/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st August*, 1927.

THE HON'BLE MR. J. L. RIEU, C.S.I., I.C.S., J.P.,
REVENUE MEMBER, GOVERNMENT OF BOMBAY, POONA.

SIR,

Fees for Electrical Inspection : Your Ref. No. 940-M.

I have the honour to state, under directions of my Committee, that on 11th January 1927 the Association addressed a letter to the Public Works Department on the subject of the levy of fees for electrical inspection (as per Government Notification No. 940-I, dated 15th November 1926,) and requesting an interview between the Association's representative and the Hon'ble Member in charge.

2. My Committee were very pleased to be informed by the Public Works Department that an interview would be granted by you to the Association's representative in June in Poona.

3. On 7th June 1927, however, the Public Works Department addressed a letter to the Association intimating that certain further information was being called for in the matter, and that as soon as it was received a further communication would be sent to the Association.

4. My Committee are very anxious that the case against the levy of these fees should be placed before you as early as possible, and they will feel greatly obliged if you will kindly give your personal attention to this matter and give a very early appointment to the Association's representative, Mr. F. Stones, O.B.E., to discuss this matter fully with you. —I have, etc.,

T. MALONEY,
Secretary.

No. 940-M.

PUBLIC WORKS DEPARTMENT,
POONA, *10th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Levy of Fees for the services of Electrical Inspectors.*

With reference to your letter No. 1379/21 dated the 1st August 1927, I am directed by the Governor-in-Council to inform you that the Honourable Mr. J. L. Rieu, C.S.I., I.C.S., is prepared to grant an interview to Mr. F. Stones, your Association's representative, on Monday, the 29th August at 1 p.m., at his bungalow, No. 3 Queen's Gardens, near the Council Hall, Poona.

2. I am to request that receipt of this letter may kindly be acknowledged. —I have, etc.,

D. R. H. BROWNE,
Joint Secretary to the Government of Bombay.

No. 1478/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th August*, 1927.

THE JOINT SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT, POONA.

SIR,

SUBJECT :—*Levy of Fees for the services of Electrical Inspectors.*

I have the honour to acknowledge receipt of your letter No. 940-M. dated the 10th instant on the above subject.

The contents of your letter have been brought to the notice of Mr. Stones. —I have, etc.,

T. MALONEY,
Secretary.

BOMBAY, *30th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I have to state that I had an interview with the Hon'ble Mr. Rieu and Mr. D. Browne, P.W.D., on Saturday the 27th instant, at Poona.

It was intimated to me that Government had decided on a reduced scale of all fees, the reduction for capacities over 1,000 kilowatts (practically all mills) being from Rs. 350 to Rs. 250.

I contended that even this rate was absurdly high and compared it with the charges of the Bombay Fire Insurance Association charges for electrical inspection. I further stated this burden came at a most inopportune time when the mill industry required every consideration, no matter how small, and finally stated that the charge was out of all proportion to the work that had to be done and the cost of doing it.

Mr. Rieu in reply stated that the cost of doing the work or the expense of the staff did not enter into the question. The Department cost Rs. 3 lacs and they estimated they would get Rs. 40,000 from the new fees and were not prepared to forgo that amount. He further expressed disappointment that the reduction going to be made, should not have been gladly accepted.

In conclusion, on my pointing out that the draft order was published in May 1925, that we made a representation in July 1925 and heard nothing more until November 1926 and when the notification that the fee would be levied was published, Mr. Rieu stated that it was not incumbent on Government to reply to the representation and that the space of time was proof of the serious consideration Government had given the matter.

I return the papers herewith.—Yours faithfully,

A. GEDDIS.

No. 1708/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *21st September*, 1927.

THE SECRETARIES,
THE BOMBAY FIRE INSURANCE ASSOCIATION, BOMBAY.

DEAR SIRS,

I am directed to draw your Association's attention to the provisions of the law as it at present stands, regarding the levy of fees for the services of Government Electrical Inspectors.

Order No. 940-I, dated 15th November 1926, published by the Public Works Department in the *Bombay Government Gazette*, states *inter alia* :—

"No. 940-I.—The following order for the levy of fees for the services of the Electrical Inspectors, etc., which was provisionally notified under Government Notification No. 940-I, dated 9th May 1925, at pages 1291-1292 of Part I of the *Bombay Government Gazette* dated 14th May 1925, and finally approved by the Governor in Council as slightly amended in the Secretariat in the light of the several suggestions, etc., received is published for general information. This order will come into force from 1st January 1927 :—

'BOMBAY GOVERNMENT ORDER NO. 940-I, DATED 15TH NOVEMBER, 1926.'

Levy of Fees for the services of Electrical Inspectors.

In exercise of the powers conferred by Rule 5 (2) of the Indian Electricity Rules, 1922, and of all other powers enabling him in this behalf, the Governor in Council is pleased to direct by this order that fees for testing and inspection and generally for the services of electric inspectors under the Indian Electricity Act, 1910 (IX of 1910), shall be levied in accordance with the following rules, namely :—

1. *Levy of Fees.*—The fees leviable under this order shall be levied in accordance with the scale of fees hereinafter mentioned ; Provided that if there shall be more than one inspection, examination or test in any period of twelve calendar months, only one fee shall be levied during that period :

Provided further that if during the said period of twelve months any subsequent inspection or test shall, in the opinion of an electric inspector, have become necessary in any case owing to the neglect or failure of the licensee or owner to carry out within a reasonable time any written instructions of the electric inspector for any alteration in any generating station, receiving station, or tramway system or in any installation, appliance or apparatus previously inspected, the fee for a second inspection during any such period shall be one-fourth of the fees hereinafter prescribed therefor and for a third inspection one-half of such fees.

Explanation.—In this order 'owner' means the owner or occupier of any building, place, carriage or vessel in which electrical energy is generated, received, or used or is about to be generated, received or used.

Scale of Fees.

A.—For any inspection, examination or test in pursuance of Rules 51 to 57 of the said rules where energy is or is about to be supplied or used at high and medium pressure except in those cases to which the items B to H specifically refer, namely :—

Capacity.	*Fee.*
1 to 5 Kilowatts ...	Re. 1 to Rs. 5 according to the number of kilowatts.
5 to 20 Kilowatts ...	Rs. 7-8.
20 to 50 Kilowatts ..	Rs. 10.
50 to 100 Kilowatts ..	Rs. 20.
100 to 500 Kilowatts ...	Rs. 150.
500 to 1,000 Kilowatts ...	Rs. 250.
Above 1,000 Kilowatts ...	Rs. 350.

The fee shall be paid by the owner to whom the electrical energy is or is about to be supplied.

D.—For the inspection, examination or test of any electrical installation, appliances or apparatus in any factory within the meaning of the Indian Factories Act, 1911 (XII of 1911) :—

(*i*) In any factory in which there is any installation, appliance or apparatus for lighting or for purposes other than power, whether electrical energy is supplied by the licensee or other person or generated in the premises of the factory	Rs. 100."

When the original notification referred to in the opening paragraph of the above-quoted order was published, my Committee strongly objected to these entirely unnecessary charges by Government and pointed out that every mill in Bombay was insured and regularly and thoroughly inspected by special officers of the Fire Insurance Association and exemption from Government inspection was asked for on these grounds (*vide* letter numbered 916/109 dated 31st July 1925). Nothing further was heard about the matter for eighteen months when Government issued the notification quoted above. The Association then made a further protest against the order (as per letter 68/121, dated 11th January 1927) and asked for an early interview with the Hon'ble Member in charge of the Government Department concerned. After numerous reminders, this interview eventually took place in Poona on the 27th August 1927. Mr. Geddis' report of this interview announces a reduction in the fees for installations of more than 1,000 kilowatts capacities, from Rs. 350 to Rs. 250, and it is understood that this reduction is to be given retrospective effect.

My Committee are very strongly of opinion that these Government inspections are absolutely unnecessary in view of the very thorough inspections made by the Fire Insurance Association, and that the charges levied are still absurdly high for the work done. They consider that a joint representation to Government should be made upon the subject, and I am to suggest that your Association might be good enough to consider the advisability of such a course of action being taken. If your Association consider that joint action of any sort would be desirable, it is suggested that it be undertaken after a joint conference. Messrs. Stones and Geddis of this Association would be glad to meet representatives from the Fire Insurance Association for this purpose on any date suitable to your members.—Yours, etc.,

T. MALONEY,
Secretary.

No. 201.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, *29th September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

We beg to acknowledge receipt of your letter No. 1708/21 of 21st instant together with enclosures advised therein.

We are directed to inform you that the Association is disposed to give the Millowners all the assistance possible and a Sub-Committee consisting of Messrs. Davies Simon and Randall and the Electrical Inspector will be very pleased to meet Messrs. Geddis and Stones for consultation and it is suggested that an appointment be fixed per telephone.—Yours, etc.,

A. F. FERGUSON & CO.,
Secretaries.

No. 1899/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *13th October*, 1927.

THE SECRETARIES,
THE BOMBAY FIRE INSURANCE ASSOCIATION, BOMBAY.

DEAR SIRS,

In accordance with the arrangements made at yesterday's meeting of the representatives of our respective Associations, I write to request that my Committee may be furnished at your earliest convenience with a comparative statement of the charges made by your Association and by Government for electrical inspection, and another comparative statement giving the particulars of the inspection carried on by your inspectors and as carried on by Government inspectors. My Committee would also like to be furnished with full information regarding the nature of the work, if any, done by your Association for Government or Municipality and whether such work was entrusted to you by Government or Municipality on their own initiative or on your asking them for it. If there are any other points which in your opinion would strengthen the case to be put up to Government, will you kindly mention them in your letter ?

I am desired to thank your Association for the help and co-operation they are giving in this matter, and my Committee hope that the combined efforts of our two Associations will eventually result in the total abolition of the fees levied since last January by Government for electrical inspection.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1940/21 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *17th October*, 1927.

THE JOINT SECRETARY TO THE GOVERNMENT OF BOMBAY,
PUBLIC WORKS DEPARTMENT, BOMBAY.

SIR,

SUBJECT :—*Levy of Fees for the services of Electrical Inspectors.*

Referring to the correspondence ending with your letter No. 94-M of the 10th instant, I have the honour to state that Mr. A. Geddis, the Association's representative, had an interview with the Hon'ble Mr. Rieu and Mr. D. Browne on 27th August in Poona.

2. It was intimated to Mr. Geddis that Government had decided on a reduced scale of fees for the services of electrical inspectors with retrospective effect from 1st January, 1927. No notification, however, has yet been issued regarding the reduced scale of fees, and my Committee will be glad to know when the notification may be expected.—I have, etc.,

T. MALONEY,
Secretary.

No. 940-M.

PUBLIC WORKS DEPARTMENT,
BOMBAY CASTLE, 19*th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Levy of Fees for the services of Electrical Inspectors.*

In reply to your letter No. 1940/21, dated 17th October, 1927, I am directed by the Governor in Council to inform you that a notification on the subject may be expected to be issued in the course of the next two or three weeks.—I have, etc.,

(Sd.) Illegible,
For *Under Secretary to the Government of Bombay.*

No. 201.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, 17*th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

With reference to your letter dated 13th October, 1927, we now have pleasure in enclosing a report made by our Electrical Inspector giving comparative statement of the charges made by our Association and by Government for electrical inspections, also a comparative statement giving particulars of the inspections carried out by our inspector and those carried out by the Government inspectors. There are maximum reduced charges for inspections in Bombay and the Mofussil which in some cases would actually be less than those tabulated, but as the latter are purposely set down according to scaled charges for sake of comparison, this question does not affect the points at issue. We may mention that the subject of maximum charges is now under consideration with a view to some further reduction being made if possible.

At the meeting with your Sub-Committee consisting of Messrs. F. Stones and A. Geddis on the 12th October last, we mentioned that our Association inspected Petrol Storage places and we beg to enclose copy of a report made by our Fire Appliances Inspector giving particulars so far as they are traceable in connection with such inspections for the Superintendent of Licenses of the Municipality.

We also enclose a memo by our Fire Appliances Inspector in regard to the inspection of theatres equipped with lamps burning mineral oil, which may be of interest to you. —Yours faithfully,

A. F. FERGUSON & Co.
Secretaries.

Electrical Inspection Fees.

With reference to the letter dated 13th October from the Bombay Millowners' Association and under instructions from the Committee, I beg to report as follows :—

1. *Fees.*—The scales of fees charged by the Bombay Fire Insurance Association and the Government for inspection of electrical installations in cotton mills and similar risks are on entirely different basis, the former being according to time occupied for inspection and test for both electric light and power installations, whereas the latter, it appears, charge a fixed sum for electric light installations, but for power according to kilowatts.

The Bombay Fire Insurance Association's fees are Rs. 40 per diem for the inspectors and Rs. 20 per diem for the assistant to the inspectors, with a minimum of Rs. 15 and Rs. 7-8 respectively per visit. No fee is charged for the services of the assistant to the inspectors when he visits a risk with one of the inspectors and no fee is charged for the inspection of an old installation if found in order. For mofussil inspections, travelling and out-of-pocket expenses are charged in addition to the fee and are approximately Rs. 25 per diem. The Bombay inspectors visit Ahmedabad and district usually three times a year and make a general tour of the Central Provinces and Southern Mahratta country once a year. There is no fee chargeable where an old installation is found in order.

The time spent on an inspection depends entirely upon the condition of an installation, *e.g.*, a new installation or extension well carried out and an old installation maintained in good order will take less time to inspect than one in which several defects are found, and usually new installations and extensions take longer to inspect than old installations of the same size as it is necessary to check the sizes of all cables and apparatus, quality of material and methods of erection.

The following are examples :—

Particulars of the Installation.	*Approximate Fees.*	
	Bombay Fire Insurance Association.	Government.
	Rs. a.	Rs. a.
E.L. Installation of 50 lights	20 0	100 0
,, 100 ,, ...	30 0	100 0
,, 500 ,, ...	60 0	100 0
,, 1,000 ,, ...	90 0	100 0
,, 1,500 ,, ...	110 0	100 0
Installation of 250 lights and 10 motors of 20 H.P.	80 0	250 0
,, 500 lights and 10 motors of 20 H.P.	100 0	250 0
,, 500 lights and 10 motors of various sizes aggregating 200 H.P.	100 0	250 0
,, 250 lights and 10 motors of various sizes aggregating 200 H.P.	80 0	250 0
,, 500 lights and 2 motors of 100 H.P.	80 0	250 0
,, 1 motor of 10 H.P.	15 0	7 8
,, 1 ,, 20 ,, ...	15 0	7 8
,, 1 ,, 500 ,, ...	15 0	150 0
,, 10 motors in the aggregate 1,000 H.P.	50 0	250 0
,, 100 motors in the aggregate 1,000 H.P.	100 0	250 0
,, 100 motors of approximately ·5 to 1 H.P. each	50 0	20 0
,, 6 motors of 100 H.P., 3 of 75 H.P. 2 of 300 H.P. and 1 of 250 H.P.	70 0	250 0
,, 450 lights and 500 motors of 1,750 H.P. in the aggregate.	225 0	350 0
,, 2,000 lights and 15 motors of 2,000 H.P. in the aggregate..	225 0	350 0

N.B.—The Bombay Fire Insurance Association's fees given above are approximate and for one inspection and if subsequent visits are necessary on account of requirements an additional fee is charged, dependable entirely on the nature and extent of the requirements. In some instances this fee may nearly equal the original fee. The Government also charge for subsequent inspections, if such in the opinion of the Government Electrical Inspector have become necesssary owing to neglect or failure of the licensee or owner to carry out, within a reasonable time, any written instructions of the Government Electrical Inspector. The fee for an inspection during any such period shall be one-quarter of the fees and for a third inspection one-half of such fees, as given in Order No. 940-I, dated 15th November 1926.

2. *Rules.*—The rules adopted by the Bombay Fire Insurance Association are identical with those of the Institution of Electrical Engineers, with certain supplementary notes, and comprise requirements for ensuring satisfactory results, including safety from fire and shock, and are supplemented by the following special regulations where such regulations apply :—

(1) The Home Office "Regulations for the Generation, Transformation and use of Electrical Energy in Premises under the Factory and Workshop Acts and the Coal Mines Act."

(2) The Regulations issued by the respective licensing authorities for theatres and other places of public resort.

(3) The Indian Electricity Act of 1922.

The following rules of the Bombay Fire Insurance Association, essential from a fire risk point of view, are not, so far as I am aware, insisted upon by Government, except for High Tension work and special cases :—

(*a*) Insulation resistance test between conductors of all circuits.
(*b*) Temperature tests of apparatus and motors, etc.
(*c*) Position of motors, dynamos, switchboards, etc.
(*d*) Sizes and quality of conductors.
(*e*) Quality of accessories and fittings.
(*f*) Method of installing conductors.
(*g*) Suitable systems of wiring under varying conditions.

The following are in brief the rules of the Indian Electricity Act and the corresponding rules of the Bombay Fire Insurance Association :—

Indian Electricity Act.		*Corresponding Rules.*	
		Bombay Fire Insurance Association.	Home Office Regulation.
Heading of Rule.	*Rule No.*		
Bare Conductors	40	86	1
Maintenance, Supply Lines	41	.....	1
Accidental charge	42	.....	20
Crossing Metallic substance	43	.....	1
Cut out	44	94	8
Metal Casings	45	57, 96 to 103	18 and 21
Earthing Frames of generators, etc.	46	56, 117, 96 to 103	21
Supply at medium or high pressure	51	7, 8, 11 and 12	1 and 2
Introduction of multi-wire system to buildings	52	.....	15
Main switchboard	53	.....	17
Distinction of circuits of different pressure	54	.....	.....
Approval of high pressure	55	.....	Approved.
Testing of insulation of high pressure circuit	56	.....	Maker's certificate usually accepted.
High pressure Electric supply lines and apparatus placed above ground	57	.....	Home Office Regulation No. 18.
Aerial lines, all pressures	58 to 68	.....	The Home Office regulations differ in certain respects. The licensee is more concerned with this regulation.

Rules Nos. 36 to 39 and 47 to 50 of the Indian Electricity Act only apply to licensees.

3. *Insulation Tests.*—The minimum test required by the Bombay Fire Insurance Association and the Government is on an entirely different basis, the former being according to the number of points installed and the latter according to the maximum current taken by the installation and bear no direct relation. Column No. 2 gives the maximum leakage current permissible, calculated on the test required by column No. 3, but this method (column No. 2) is not adopted by the Bombay Fire Insurance Association.

The insulation resistance between the case or frame-work and every live part of each individual dynamo, motor, heater, arc lamp, control gear or other appliance shall not be less than that specified in the appropriate British Standard Specification or, where there is no such specification, shall not be less than half a megohm.

In risks where, owing to climatic and other conditions the following tests are commercially unattainable, the Bombay Fire Insurance Association allow a modification under this head.

It will be seen from the following examples that the tests required by the Bombay Fire Insurance Association are more exacting than those demanded by Government :—

Size of Installation.	Indian Electricity Act.	Bombay Fire Insurance Association.	
	1/5000 part of the current taken by the Installation. Maximum leakage current permissible.	$C=\frac{E}{R}$	25 megohms divided by the number of points.
	(Col. 1)	(Col. 2)	(Col. 3)
	amps.	amps.	ohms.
1000 lamps of 30 watts, 230 volts.	.026	.009	25000
Do. do. 115 ,, ...	.052	.0046	25000
Do. 60 watts, 230 ,, ...	.052	.009	25000
Do. do. 115 ,, ...	.104	.0045	25000
500 lamps of 30 watts, 230 ,, ...	.013	.0045	50000
One motor of 50 H.P., 230 ,, ...	.003	..	500000
One motor of 50 H.P., 460 ,, ...	.0165	..	500000

N.B.—In making its test for insulation resistance the Bombay Fire Insurance Association takes each circuit separately, whereas I understand the Government takes the test as a whole. *The advantages of the former method are that there may be one or more defective circuits, which taken collectively with the sound ones would pass the test as a whole, but would not meet the requirements from an insurance point of view owing to the low test of the defective circuit or circuits.*
—Yours faithfully,

P. W. GREENSTED,
Electrical Inspector.

Petrol Storage Inspections.

With reference to the question as to why the Association are consulted regarding the granting of Municipal licences for the storage of petrol, I beg to state that the custom first orginated in 1910.

An Insurance office having requested that certain premises should be inspected, it was found that a Municipal storage licence had been granted under most dangerous circumstances from a fire hazard point of view. The Municipal Commissioner was addressed in the matter and requested for a list of places where licences had been granted in the City of Bombay. A further letter dated 16th March, 1910, contained this extract :—

> " May we take this opportunity of suggesting that in granting licences for the storage of petrol this Association be consulted as in this instance."

I can trace no reply relevant to the above sentence, but since that date this Association has been consulted regarding each application for petrol storage licences received by the Municipality.

It should be borne in mind that this Association has no power to grant or refuse the sanction of licences, but can only recommend their sanction or refusal as the case may be.
—Yours faithfully,

I. K. W. NORTH,
Inspector.

Inspections of Theatres equipped with Lamps burning Mineral Oil.

In connection with the above matter, I have been unable to trace any papers prior to those contained in cover 965 circulated herewith, which speak for themselves.

How the Rule 3 (*h*) in its present reading came to be adopted by Government I do not know.

An extract from a letter dated 5th December, 1907, to the Commissioner of Police (Files Nos. 1023 and 1044), states :—

> " We have to suggest that the Theatre proprietors be compelled to obtain a certificate from this Association at least once every year before their licences are renewed."

This suggestion was evidently favourably received by Government and since then theatres lit by oil-burning lamps have been inspected yearly.

During the past year or so such lights have, as far as I know, been dispensed with, as no requests for inspections have been received.—Yours faithfully,

I. K. W. North,
Inspector.

No. 2318/21 of 1927.

The Millowners' Association,
Bombay, *26th November*, 1927.

The Secretaries,
The Bombay Fire Insurance Association, Bombay.

Dear Sirs,

I beg to acknowledge, with thanks, receipt of your letter No. 201, dated the 17th instant, enclosing a report made by your Electrical Inspector giving comparative statement of the charges made by your Association and by Government for electrical inspections and also a comparative statement giving particulars of the inspections carried out by your inspectors and those carried out by the Government inspectors.—Yours, etc.,

T. Maloney,
Secretary.

No. 2301/21 of 1927.

The Millowners' Association,
Bombay, *25th November*, 1927.

The Secretary to the Government of Bombay,
Public Works Department, Bombay.

Sir,

Subject :—*Levy of Fees for Electrical Inspection.*

I have the honour to invite reference to the Association's letter No. 68/21, dated 11th January, 1927, protesting against the levy of fees for electrical inspection by Government inspectors and urging that an interview might be granted by the Hon'ble Member in charge to the Association's representative.

2. As requested in the above-quoted letter, an interview was granted by the Hon'ble Mr. Rieu to Mr. A. Geddis, on 27th August, 1927, and my Committee understand that Government have decided to reduce the scale of fees, the reduction for capacities over 1,000 kilowatts (practically all mills) being from Rs. 350 to Rs. 250, and that the reduced scale would have retrospective effect from 1st January, 1927. While welcoming this promised reduction in the charges for Government electrical inspections, my Committee consider that the fees, even after the reductions have been officially notified, will still be inordinately high.

3. Since Mr. Geddis' interview with the Hon'ble the Revenue Member, my Committee have gone further into the matter, and are strongly of opinion that in view of the very thorough inspections carried on by the Fire Insurance Association, exemption from Government inspection should be given to mills upon production of certificates of inspection, or other satisfactory proofs of complete and efficient inspection, from the Fire Insurance Association. In support of this view my Committee desire to place before Government the following facts regarding the inspections conducted annually, or at more frequent intervals, by the Fire Insurance Association.

4. The Electrical Inspection Rules adopted by the Bombay Fire Insurance Association are those of the Institution of Electrical Engineers with certain supplementary notes for dealing with special types of buildings, machines, apparatus and occupations. They are designed chiefly with the object of fire prevention and the safeguarding of workpeople from fire and electric shock, and all tests are conducted by highly qualified experts. The completeness of the tests conducted by the Fire Insurance Association may be judged from the fact that the following tests are insisted upon at every inspection although, so far as my Committee are aware, they are ***not insisted upon by Government*** except for high tension work and special cases:—

(*a*) Insulation resistance test between conductors of all circuits.
(*b*) Temperature tests of apparatus and motors, etc.
(*c*) Position of motors, dynamos, switchboards, etc.
(*d*) Sizes and quality of conductors.
(*e*) Quality of accessories and fittings.
(*f*) Method of installing conductors.
(*g*) Suitable systems of wiring under varying conditions.

5. The minimum test required by the Bombay Fire Insurance Association and the Government are on an entirely different basis, the former being according to the number of points installed and the latter according to the maximum current taken by the installation. It will, however, be seen from the following examples that the tests required by the Bombay Fire Insurance Association are more exacting than those demanded by Government:—

Size of Installation.	Indian Electricity Act. 1/5000 part of the current taken by the Installation. Maximum leakage current permissible.	Bombay Fire Insurance Association. $C=\frac{E}{R}$	Bombay Fire Insurance Association. 25 megohms divided by the number of points.
	(Col. 1)	(Col. 2	(Col. 3)
	amps.	amps.	ohms.
1,000 lamps of 30 watts, 230 volts.	·026	·009	25,000
do. do. 115 ,, ..	·052	·0046	25,000
do. 60 watts, 230 ,, ...	·052	·009	25,000
do. do. 115 ,, ...	·104	·0045	25,000
500 lamps of 30 watts, 230 ,, ...	·013	·0045	50,000
One motor of 50 H.P., 230 ,, ...	·003	..	500,000
One motor of 50 H.P., 460 ,, ...	·0165	..	500,000

6. In making its test for insulation resistance, the Bombay Fire Insurance Association take each circuit separately whereas my Committee understand the Government take the installation as a whole. The advantages of the former method are that there may be one or more defective circuits, which, taken collectively with the sound ones, would pass the test as a whole, but would not meet the requirements from an insurance point of view owing to the low test of the defective circuit or circuits.

7. The above facts are mentioned to convince the Government of Bombay that the inspections carried on by the Bombay Fire Insurance Association are of a most thorough nature calculated to ensure public safety satisfactorily, and that there is no necessity to supplement them by a further expensive inspection of a much less comprehensive nature by Government inspectors, and my Committee trust Government will recognize the force of the case which they put forward in support of their contention that mills which are inspected by the Fire Insurance Association should be exempted from inspection by Government Electrical Inspectors, or charged a merely nominal fee for the Government inspection.

8. The following figures illustrate the difference in the fees charged by Government and the Bombay Fire Insurance Association for different sizes and classes of electrical installations :—

Particulars of the Installation.	*Approximate Fees.*	
	Bombay Fire Insurance Association.	Government.
	Rs. a.	Rs. a.
E. L. Installation of 50 lights	20 0	100 0
Installation of 250 lights & 10 motors of 20 H.P.	80 0	250 0
Installation of 1 motor of 500 H.P.	15 0	150 0
Installation of 450 lights & 500 motors of 1,750 H.P. in the aggregate	225 0	350 0
Installation of 2,000 lights & 15 motors of 2,000 H.P. in the aggregate	225 0	350 0

In view of these facts, my Committee respectfully urge that there is no necessity for inspection of electrical installations in Bombay cotton mills by Government inspectors, since the safety of the workers and the efficiency of the installation is more satisfactorily provided for by the inspections conducted by the Fire Insurance Association, and trust that, on further consideration, Government will reach the same conclusions and issue the necessary orders.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 14.

FIRE INSURANCE RATES FOR BOMBAY COTTON MILLS—THE QUESTION OF AGENCY COMMISSION.

No. 2265-A.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, *8th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Our Committee proposes to reduce rates for all cotton mills by 15 per cent with retrospective effect as from 31st March last.

We are instructed to hand you copy of Circular G. No. 98 of 1927, issued to all our members, which will explain to you our Committee's reasons for taking action in this matter.

It is hoped that your members will agree that with this further substantial proposed reduction, there can be no reasonable complaint as to the cost of insurance.

Having regard to the arrangements entered into with your Committee at a meeting of our respective Sub-Committees on 19th March 1925, we are duly advising you of the above. It is assumed, however, that your Committee has no objections to put forward.

If, however, there are any points which your members desire to discuss, our Committee will be willing to appoint a Sub-Committee to meet your members.—Yours faithfully,

A. F. FERGUSON & Co.,
Secretaries.

G. No. 98 of 1927.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, *27th May*, 1927.

Most Urgent.

(For the use of the members of the Bombay Fire Insurance Association only.)

Circular.

THE REPRESENTATIVES OF FIRE INSURANCE OFFICES,
BOMBAY.

GENTLEMEN,

Bombay Agency Rules.

It has recently been brought to the notice of the Committee that a few important cotton mill agents, acting as agents for Insurance Companies, have expressed themselves as dissatisfied with the remuneration to agents under the new Bombay Agency Rules.

It has been further pointed out to the Committee that such mill agents are threatening to place their business elsewhere than with the Tariff Companies, if they are not paid their old scale of remuneration.

The argument used has been that Cotton Mill rates were reduced two years ago when no curtailment of the commission was made, and that therefore any reduction in remuneration made now is in favour of the Insurance Companies.

The Committee gave careful consideration to this matter, and decided that they disagreed with the contention brought forward. What actually happened was that negotiations with the Bombay Millowners' Association some two years ago resulted in millowners securing their reduced rates appreciably earlier than was originally intended, since the original idea was to bring about the reduction of the cotton mill rates and the revised rules reforms simultaneously.

Notwithstanding this, however, the Committee felt that if there was any pronounced feeling on the part of the Millowners that the Insurance Companies had benefited unduly by the introduction of the reforms, they (the Committee) would be disposed, in the general interests, to endeavour to find some means of removing that feeling.

They decided, however, that any alteration of the standard rate of agency commission as recently fixed was impossible.

It is well known that agency commission in Bombay had, prior to the reforms, reached an excessive figure, and it was a legitimate complaint against the Insurance Companies working in Bombay that high commissions and high discounts were being paid to agents and intermediaries to the detriment of the price of insurance to the assured.

One of the objects of our reforms was to remedy this.

The Committee cabled to the Fire Offices' Committee (Foreign) in this connection, and a reply has been received that that body is not prepared to consider an increase in the agency remuneration.

As already stated, however, the Committee feel disposed to meet the accusation that Insurance Companies are making more out of the cotton mills as a result of the reforms, and they have come to the conclusion that the only method of doing this is to make a further reduction in rates.

The Fire Offices' Committee (Foreign) has again been communicated with by cable on this subject, and they confirm this Committee's decision by a majority that rates for all cotton mills shall be reduced by 15 per cent. with retrospective effect as from 31st March 1927.

The Committee wishes its attitude to be made quite clear to members. It considers that in the general interests of millowners and the general public the reasonable scale of commission recently fixed must be maintained, and that if any further concession is to be given, it should be for the benefit of the assured.

A communication from a member having been received pointing out that on such an important matter the views of the general body of members should be consulted, it is proposed that after the proceedings of the Special General Meeting on Wednesday next, 1st June, the views of members shall be taken as to whether they support the action of the Committee.—We are, etc.,

A. F. FERGUSON & Co.
Secretaries,

No. 1197/108 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *7th July*, 1927.

THE SECRETARIES,
THE BOMBAY FIRE INSURANCE ASSOCIATION, BOMBAY.

DEAR SIRS,

I am directed to acknowledge receipt of your letter No. 2265-A of the 8th ultimo together with the enclosures referred to therein.

2. My Committee welcome the reduction in insurance rates for cotton mills announced in your letter, and to which retrospective effect is to be given from 31st March 1927. They are, however, of the opinion that a larger reduction in premium should have been made in view of the undertaking given in the following paragraph in your circular letter to the members of your Association:—

> "As already stated, however, the Committee feel disposed to meet the accusation that Insurance Companies are making more out of the cotton mills as a result of the reforms, and they have come to the conclusion that the only method of doing this is to make a further reduction in rates."

The reason for this view will be apparent from the practical example of a mill paying Rs. 100 as fire insurance premium. Under the previous arrangements, the Insurance Company would have received Rs. 70 and the commission agent Rs. 30. Under the new arrangement, the premium payable will be Rs. 85 (Rs. 100—15), and agency commission will be 15 per cent. of Rs. 85 = Rs. 12·75, and the Insurance Company will get Rs. 72-4.

3. My Committee have appointed a special Sub-Committee to go fully into the whole question, and, if necessary, a joint meeting can be arranged at a later date.—Yours, etc.,

T. MALONEY,
Secretary.

P.S.—I have to request that steps may be taken to inform cotton mills of the 15 per cent reduction with retrospective effect from 31st March, 1927, and to refund to them the excess amount that might have been already paid since 31st March, 1927.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, *7th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

We beg to refer you to our letter of the 8th ultimo.

We shall be glad to receive a reply to the above letter at an early date as the Committee wishes to issue its definite revisions in the Tariffs.—Yours, etc.,

A. F. FERGUSON & CO.,
Secretaries.

No. 2265-A.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, *15th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

We are directed to acknowledge receipt of your letter of the 7th instant.

2. Our Committee wishes to point out that the argument put forward in this paragraph leaves out of consideration the substantial reductions made two years ago, and also overlooks the fact that 30 per cent. was by no means a general rate of commission, as several prominent mill agents received less.

Our Committee is strongly of opinion that, on the whole, the matter has been dealt with in a reasonable manner, and millowners can hardly complain of the present cost of insurance.

3. It is noted that a special Sub-Committee has been appointed, and our Committee will be pleased to arrange a joint meeting at a later date, if this is desired.

We are taking immediate steps to notify our members of the 15 per cent. reduction agreed upon with retrospective effect from 31st March, 1927.—Yours, etc.,

A. F. FERGUSON & CO.,
Secretaries.

BOMBAY, *31st October*, 1927.

THE CHAIRMAN, AND THE COMMITTEE
OF THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIRS,

Re. Insurance for Mills.

The Tariff Board, in para 73 of their report, say as follows :—

"We have in paragraph 41 above pointed out the objections to the present system under which many managing agents are also agents to Fire Insurance Companies, their operations in this direction being, however, confined to the mills for which they are agents. These objections would be removed and the charges under this head might be reduced if the mills were to undertake their own fire insurance."

In para 41, the Tariff Board further remark as under :—

"Several managing agents are also agents to Fire Insurance Companies, their activities in this direction being, however, confined to their own mills. We were informed by the representatives of the Bombay Millowners' Association that the rules of the Insurance Companies lay down that no part of the agents' commission on premiums shall be passed on to the mills."

Seeing these strong remarks of the Tariff Board, I have been considering this question carefully during the last four months, and have come to the conclusion that the only practicable course for our Association at present to adopt, is that the Fire Insurance Companies should be asked to quote an absolutely net rate for all mill insurances, doing away with brokerage and agents' commission. There is no broker employed for placing mill insurances, and as the Tariff Board themselves say, "the mill agents themselves are agents of Fire Insurance Companies, their activities in this direction being confined to their own mills." If, therefore, the agents' commission on mill insurances as well as brokerage is cancelled, we can get further lower net rates from the Fire Insurance Companies, and this, in my opinion, will remove a scandal which the Tariff Board have strongly commented upon. I therefore suggest that the Committee seriously consider my suggestion, and come to the conclusion that we should approach the Fire Insurance Companies and ask them at once to quote the lowest net rate, so that our charges under this head to the mills may be reduced to the absolute minimum in these difficult times, and we may be able to compete with foreign competition.

I shall write to the Committee later on my suggestions about the other recommendations of the Tariff Board, but in the meantime I consider this as the first step which the Association should at once take and show to the public as well as to the Tariff Board that we are actually carrying out the recommendations of the Tariff Board to put our industry on a proper economic basis.—Yours, etc.,

N. N. WADIA.

No. 2443/108 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 13*th December*, 1927.

THE SECRETARIES,
THE BOMBAY FIRE INSURANCE ASSOCIATION, BOMBAY.

DEAR SIRS,

The question of the rates for fire insurance of cotton mills has been engaging the attention of my Committee for some time past, and after considering the question from all points of view, they have reached the conclusion that the present rates are unduly high and a further reduction of at least 15 per cent. should be effected by your Association.

The recent reduction of 15 per cent. meant no sacrifice to the Insurance Companies in view of the reduction in the rates of agency commission; on the contrary, the Insurance Companies stood to gain as explained in my letter of 7th July 1927.

In view of the present depressed state of the industry, my Committee have been considering the possibility of making a reduction in different items of expenditure, and it is felt that there is a substantially good case for asking for a reduction of at least 15 per cent. in the present fire insurance rates.

Will you kindly place this letter before your Committee, and communicate their views to my Committee at an early date?—Yours, etc.,

T. MALONEY,
Secretary.

No. 2265-A.

THE BOMBAY FIRE INSURANCE ASSOCIATION,
BOMBAY, *22nd December*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

We beg to acknowledge receipt of your letter No. 2443/108 of the 13th instant and to inform you that the matter is receiving the attention of our Committee and will be dealt with shortly.—Yours, etc.,

A. F. FERGUSON & Co.,
Secretaries.

APPENDIX 15.

SUPPORT TO INDIAN INSURANCE COMPANIES.

THE INDIAN INSURANCE COMPANIES' DELEGATION,
BOMBAY, *24th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

On behalf of the Committee of the Indian Insurance Companies' Delegation, I beg to address you this letter.

We shall be obliged if your Committee will give our Committee an opportunity of meeting them for the purpose of general discussion. Our delegation represents all Indian Insurance Companies in the City of Bombay transacting all classes of insurance excepting Life.

From the attached statement you will note that the combined funds of the companies we write on behalf of exceed Rs. 2,62,86,810.

Out of 86 mills in Bombay a portion of the insurance on only 10 mills and full insurances on 6 mills are placed direct with Indian Insurance Companies. We think it is not unreasonable to suggest that such a big industry as the Bombay mill industry should support locally established companies (when satisfied as to the security) to a far greater extent than the above figures show, and our object is to endeavour to find out from your members what objections there are to bringing this about, and if possible, to overcome such objections.

We trust your Committee will be pleased to consider favourably our request to meet them.—Yours, etc.,

K. S. RAMACHANDRA IYER,
Secretary.

Statement.

Name of Company.	Paid-up Capital. Rs.	Total Funds. Rs.
New India Assurance Co., Ltd.	1,18,68,425	1,62,85,143
British India General Insurance Co., Ltd.	10,00,000	24,07,977
Jupiter General Insurance Co., Ltd.	23,74,800	32,24,442
Vulcan Insurance Co., Ltd.	15,99,270	26,07,152
Universal Fire & General Insurance Co., Ltd.	6,34,900	7,84,944
Indian Mercantile Insurance Co., Ltd.	4,23,060	9,70,060
Crescent Insurance Co., Ltd.	1,46,875	7,092
Total Rs. ..	1,80,47,330	2,62,86,810

Minutes.

The Committee of the Indian Insurance Comapnies' Delegation met the Technical Sub-Committee of the Bombay Millowners' Association on Tuesday, the 4th October, 1927, at 2-30 p.m., in the rooms of the Bombay Millowners' Association.

The following members of the Millowners' Association were present :—

H. P. MODY, ESQ. (*Chairman*)
F. STONES, ESQ. (*Dy-Chairman*).
SIR FAZULBHOY CURRIMBHOY.
N. B. SAKLATVALA, ESQ.
D. F. BATLIWALA, ESQ.
A. GEDDIS, ESQ.
T. MALONEY, ESQ. (*Secretary*).

The Indian Insurance Companies' Delegation was represented by the following members :—

R. J. DUFF, ESQ., New India Assurance Co., Ltd.
J. C. SETALVAD, ESQ., Vulcan Insurance Co., Ltd.
GEO. BROWN, ESQ., British India General Insurance Co., Ltd.
KANCHANLAL VARAJDAS, ESQ., Universal Fire and General Insurance Co., Ltd.
K. S. R. IYER, ESQ., Jupiter General Insurance Co., Ltd.

Mr. Duff was requested by the Chairman of the Millowners' Association to place the case of the Indian Insurance Companies Delegation which he did in the following words :—

MR. CHAIRMAN AND GENTLEMEN,—I have first to thank you on behalf of myself and my colleagues for receiving us to-day, thus giving us an opportunity of placing before you our appeal for more support to the Indian Insurance Companies in Bombay. In making this appeal, we do not overlook that some of your members do support Indian companies to a considerable extent.

2. Our appeal is not confined to Indian members of your Association, but includes Europeans also. We all endeavour to make a living in the same city, we are all interested in the progress of Bombay, and we are probably all inflicted with the same dislike of income-tax and other taxes. Therefore we make no distinction, but appeal to all for more support than has hitherto been forthcoming for local Insurance Companies.

3. The companies we represent have banded themselves together comparatively recently, for purposes of advertisement and propaganda, and since our aim is to assist Indian Insurance Companies to build up a business in India, we do not think you can find anything objectionable in our ideas.

We have already interviewed various associations in Bombay, and on Saturday last met the Committee of the Ahmedabad Millowners' Association. If we have left the Bombay Millowners' Association until somewhat late in the day, it is because we wished first to find our feet, and satisfy ourselves that other associations were prepared to receive us and our aims, with favour.

4. You are aware that Indian Insurance Companies have no assistance from Government, that is to say, any company established outside India can come into India and work freely without any restriction whatsoever. Hence the competition we have to cope with is very considerable.

To-day in most other countries in the world the Government assists the companies of the country. I will not make my remarks lengthy by going into this in detail, except to say that in Sweden, France, Brazil, the Argentine Republic, Turkey, Spain, Japan and the United States of America, not to mention many others, there exists Insurance legislation calculated to assist the national companies. It will suffice if I contrast India with Japan.

To-day 50 Japanese Fire Insurance Companies control nearly all the Fire Insurance business in Japan. For the year 1925 the premium income of the Japanese Fire Insurance Companies was Yen 230,000,000. For the same period the share of "outside" companies was 6 million, hardly 3 per cent.

The Marine Insurance income of the Japanese companies exceeded 200 million yen, whereas that of "outside" companies was only about 1 million, that is less than 1 per cent.

The Japanese Government have helped their companies in many ways, and to such an extent that it has become very difficult for foreign companies to obtain even the necessary authority for the establishment of branches in Japan. It is in fact improbable that any more foreign companies will be allowed to enter Japan. There are to-day in Japan only 18 non-Japanese companies transacting Fire business, and 3 Marine.

Compare this with India. There are over 100 Insurance Companies working in Bombay, only about 7 of which are Indian.

5. Many of the Indian Insurance Companies are very soundly capitalized and compare in this respect with foreign companies which have now obtained world-wide reputation. This is generally realized outside India, and I quote the following from the *Review*, a leading British Insurance paper:—

Speaking of the Indian companies, the *Review* states:—

> "The companies as a group are remarkably well equipped with capital; they have a capital which of itself can command respect; it is sufficient as a nucleus for the building up of a valuable business."

It has been in practice impossible for most of the Indian companies to employ their capital properly without going outside India for business.

6. If you can agree that local companies which offer adequate security, and are soundly run, are worthy of support by local millowners, then we ask you to consider the small proportion of Bombay mill business which comes to the local Indian companies.

Without going into figures we can say that in the case of Ahmedabad and mofussil mills generally, the Indian companies have succeeded in obtaining a very fair share of the business. We have not, however, been so successful in Bombay City in which we are established.

7. It is unnecessary for me to point out that a Manchester millowner or a continental millowner would hardly consider placing his insurance business with an Indian company if there were a company of his own country available. We are merely at the commencement of our work, and our aim is to engender a similar feeling in Bombay.

8. We therefore appeal to you as to whether it is possible for a concern of the importance of the Millowners' Association to consider adopting as a principle the idea that a share, even a small share, of all Bombay mills could be placed with local Indian Insurance Companies which you may deem competent to meet their liabilities.

We realize that we immediately come up against a difficulty, *viz.*, agency commission, but if such an Association as yours could state that they desired to give a small portion of their business to local companies, our hands would be very much strengthened, and we would endeavour to come to an agreement with the local Fire Insurance Association in order to enable us to compensate millowners for their insurance in the same manner as the non-Indian companies they represent.

9. Gentlemen, I feel that I should add that we are not here to usurp the functions of the Bombay Fire Insurance Association, and have no power to deal with the question of rates and conditions. We come as representatives of one local concern to representatives of another local concern, and ask for some assistance in the building up of Insurance Companies established in Bombay. At the same time, to the extent of our power, we will always be willing to go out of our way to meet just requests of the millowners.

In conclusion, I put forward two points for your consideration. Firstly, and looking a very long way ahead, it seems to me that the industries of Bombay will in the future be more likely to secure reasonable treatment in the matter of rates, if these rates are fixed in Bombay by Indian companies, than if these rates are fixed outside India by companies not established in India. Secondly, you will have in mind that your Association recently made an appeal to the Government of India in connection with your industry. You will possibly wish to approach Government again in the future. What will you reply to a future Government of India, which says: " You come to us for assistance, but to what extent are you yourselves supporting Indian concerns ?"

Gentlemen, I know comparatively little of your business but suggest, very diffidently, that if you could point out to the Government of India that amongst other things you were according very substantial support to the Indian Insurance Companies of Bombay, it might be of some assistance to you.

If you desire any information as to the security offered by the Bombay Insurance Companies, their methods of working, we shall be glad to supply it. We are ready to co-operate with you and give our assistance as far as may be possible at any time.

I again thank you for receiving us and listening to the points we have put before you.

There was a general discussion in which almost all members took part. The Chairman of the Association said in conclusion that the placing of insurance business was entirely a matter for individual millowners but that they, as a sub-committee, would place the case of the Indian Insurance Companies before their full Committee. He also said that the Millowners had every sympathy with the Indian Insurance Companies and that they would do whatever was possible for them consistently with the interests of the mills.

Mr. Duff, on behalf of the Indian Insurance Companies' Delegation, thanked the Sub-Committee for the patient manner in which they heard him and the delegation then withdrew.

No. 2048/142 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st November*, 1927.

TO ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

GENTLEMEN,

The attention of the Committee of the Association has been recently drawn by the Indian Insurance Companies' Delegation to the fact that the Indian Insurance Companies do not receive adequate support from the mill industry. A Sub-Committee of the Association discussed the position with the representatives of the Indian Insurance Companies' Delegation, and thereafter the General Committee of the Association considered the matter in all its bearings and reached the conclusion that the case of the Indian Insurance Companies deserves the most sympathetic consideration of the members of the Association.

It appears that out of 86 mills in Bombay, a portion of the insurance on only 10 mills and full insurance on only 6 mills is placed direct with Indian Insurance Companies. The Committee, while appreciating the reasons which led the members of the Association in the past to adopt a somewhat conservative attitude towards Indian Insurance Companies, are strongly of the opinion that the time has arrived when Indian Insurance Companies should receive a substantial measure of support from the cotton mill industry. It will be generally agreed that an industry like the cotton mill industry, claiming the support of the Government and the public on national grounds, must in its own turn do all it can for national enterprises in the field of banking, insurance, etc.

On examining the position of the Indian Insurance Companies, the Committee find that on the whole it is very sound. The *Review*, a leading British Insurance paper, has made the following remarks regarding the Indian Insurance Companies :—

> " The companies as a group are remarkably well equipped with capital; they have a capital which of itself can command respect; it is sufficient as a nucleus for the building up of a valuable business."

As regards the security offered by Indian companies, it may be pointed out that the total funds of these companies amount to Rs. 2,45,09,842, a substantial sum. When it was pointed out to the representatives of the Indian Insurance Companies' Delegation that millowners might hesitate before placing very large sums to be insured with Indian companies, they explained that the most an Indian Insurance Company would retain at its own risk would be some figure from Rs. 50,000 to Rs. 1,50,000 : probably not more than Rs. 2,00,000 on a well-spread mill.

What usually happened was as follows :—

Assuming that a mill was insured for Rs. 50,00,000; the Company retained for its own account, *i.e.*, at its own risk Rs. 1,00,000. The remaining 49,00,000 was spread out in reinsurance between sister Indian companies, Treaty Reinsurance companies, and placed locally in Bombay or elsewhere.

The insurance of a large mill was invariably split up between anything from 25 to 50 companies, or more. Further, even if it was split up between fewer companies, these companies again reinsured if the amount they accepted exceeded their own limit.

Taking all the facts into consideration, the Committee of this Association desire to make a very strong appeal to all members of the Association to extend their support on a much more extensive scale than hitherto to the Indian Insurance Companies, and they earnestly trust that the members of the Association will take the earliest opportunity of showing in a practical manner their confidence in Indian Insurance Companies.

A leaflet* received from the Indian Insurance Companies' Delegation is sent herewith for your information.

If you require any further information regarding the Indian Insurance Companies you are requested to write to the Secretary, Indian Insurance Companies' Delegation, Ewart House, Tamarind Lane, Fort, Bombay.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 16.

ANTI-MALARIAL MEASURES IN REGARD TO MILL TANKS.

BOMBAY, *24th January*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Herewith an official letter with reference to the anti-malarial measures which is submitted for consideration by the Committee of the Association.

There is a meeting of the Malarial Sub-Committee fixed for the 18th February to consider your reply, and I shall esteem it a favour if you will circulate this as soon as possible.—Yours, etc.,

FRED STONES.

No. H.M. 3/B of 1926-27.

BOMBAY MUNICIPALITY,
PUBLIC HEALTH DEPARTMENT,
BOMBAY, *22nd January*, 1927.

F. STONES, ESQ., O.B.E.,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Anti-Malarial Measures—Advisory Committee.*

The Sub-Committee appointed by the Committee met on January 18th, and after the discussion of anti-malarial measures in connection with mill tanks and mill compounds that might be mutually acceptable to your Association and my department, I was instructed to put forward an outline of measures for the consideration of the full Committee.

The proposals I have to submit are as follows :—

Anti-Mosquito Staff.

1. For mills with tanks that can be grouped a special anti-mosquito staff consisting of one inspector on Rs. 100 and three coolies at Rs. 25 per mensem will be appointed.

* Not printed.

This staff will be appointed for a group which will contain six mills or seven if they are to work on Sundays.

The number ten was suggested on a basis of inspection and oiling every 10 days.

It is in my view a point of importance in detail that the same day in the week should be allotted to any given mill at least for inspection. The results of the inspections will indicate whether the oiling of tanks is required weekly, once a fortnight or less frequently.

2. In any mill that cannot be included in a group, the engineer will, by the terms of his office, be required to make inspections of the tank and the compound weekly, and to supervise weekly measures for the destruction of mosquito larvæ. He will utilize a menial staff of three coolies and the work will be done without additional pay.

3. The inspectors and engineers entrusted with this work will be trained by the Municipal Health Department. The engineer for the purpose of his training will be required, in his duty hours if necessary, at a time to be arranged, to attend for one hour twice a week in the first two weeks at the Municipal Offices and in the next two weeks for field demonstrations on mill compounds and mill tanks.

Anti-Mosquito Measures.

4. The method to be adopted for the destruction of mosquito larvæ in tanks will be :—

The addition to the water in the tank from a watering can of oil at the rate of one gallon for every 25 feet of the circumference of the tank (*A*), once a week or once a fortnight as may prove to be necessary. Should repeated tests show no larvæ, oiling will for the time being not be carried out.

5. The oil to be used will consist of the following mixture :—

Crude oil	3 gallons.
Kerosene oil	3 „
Castor oil	6 ounces.

6. Breeding in the mill compound will be dealt with by the measures appropriate to the conditions.

An effective coal-tar disinfectant in the proportion of 1 in 2,000 of the water treated is more easily applied and cheaper for collections of water less than six inches deep.

I shall be obliged if these proposals could be submitted at once to the Secretary of the Association, so that his views upon them may be before the full Committee at their meeting on February 17th.

To this letter is appended an explanatory note.—I remain, etc.,

(Sd.) Illegible,
Executive Health Officer.

APPENDIX.

A. The standard one gallon to 25 feet of the circumference of a tank suggested by Dr. Dalal in his report on mill tanks has been adopted as no more than a rough guide.

The ratios between circumference and superficial area will vary according to the shape of the tank, and the efficacy of oiling from the borders of a tank only must be regarded as still on trial.

B. The measures now agreed upon will be subject to variation in the light of experience.

C. The statutory position will be found in Section 381 of the City of Bombay Municipal Act which provides as follows :—

> " If in the opinion of the Commissioner any tank or pond is likely to become a breeding place of mosquitoes, or in any other respect a nuisance, he may by notice in writing require the owner thereof to fill up the same or take such order for abating the nuisance as the Commissioner shall prescribe."

For the full text and its full effect, reference may be made to the Act itself.

D. The cost of the measures proposed will accordingly be borne by the mills and not by the Municipality.

E. In this event it has been asked why millowners should pay twice over once by taxation for the maintenance of the Municipal staff and once for their own. Further, it might be asked why millowners alone have been thus selected for double taxation.

The reply to the second question is that among other works three thousand wells in the city have been covered in at the expense of their owners, and that millowners like the owners of the wells have been selected because with the substitution of electricity for steam mill tanks in common with wells have become likely to breed mosquitoes.

The answer to the first question is that the cost of the maintenance of a special staff is to be accepted by the millowners in place of the cost of filling or covering borne by the owners of wells and cisterns and that the number and cost of the Municipal staff would have to be many times greater if they were called upon to carry out themselves all the works and measures hitherto demanded from and carried out by the owners of property in the city in accordance with their statutory obligations.

No. 306/40 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *8th February*, 1927.

F. STONES, ESQ., O.B.E.,
BOMBAY.

DEAR SIR,

I am directed to acknowledge your letter of the 24th January 1927 giving cover to a letter, H.M/3/B, dated 22nd January 1927, to you from the Executive Health Officer of the Bombay Municipality setting forth a tentative scheme of anti-malarial measures in connection with mill tanks.

2. At the outset I am desired to point out that the Committee of the Association have no executive power in regard to individual mills in matters of this nature, but they are prepared to recommend the principle of the scheme set forth in the letter of the Executive Health Officer to all their members for favourable consideration provided that only those mills of which the tanks have been proved to be breeding malarial mosquitoes shall be required to take the anti-malarial measures set forth in the scheme, and that the possibility of a malarial staff attending to more than one mill tank per day is considered by the Malaria Advisory Committee.

3. My Committee are of the opinion that a very large proportion of the mill tanks in Bombay cannot possibly be breeding grounds for mosquitoes owing to the fact that in some cases steam is frequently blown into them, while others receive the discharge water from

bleaching plants, and for these reasons they maintain that before any definite rules are put forward to the mills for compliance a preliminary survey of all mill tanks should be made to establish which tanks will and which tanks will not have to be treated.

4. As stated in the second para of this letter, the Committee of this Association have agreed to recommend that mills should 'oil' their tanks if found to be breeding mosquitoes but consider that the systematic oiling proposed in the Executive Health Officer's letter should be performed as economically as possible, and they would therefore urge that if possible the tanks of at least two mills should be treated per day by one malarial staff group.—Yours, etc.,

T. MALONEY,
Secretary.

No. 307/40 of 1927.

Copy forwarded to the Executive Health Officer, Bombay Municipality.

T. MALONEY,
Secretary.

No. H.M./3/B. of 1926-27.

MUNICIPAL OFFICES,
BOMBAY, 16*th March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I have the honour to forward herewith a report of the Malaria Advisory Committee on mill tanks for circulation among your members and to request you to communicate to me the groups of mill tanks formed on the lines suggested under "Outline of the Scheme" on page 3 of the report so as to facilitate the adoption of measures recommended therein for the control of mosquito breeding.—I have, etc.,

J. S. NERURKER,
Secretary.

REPORT OF THE ADVISORY COMMITTEE ON MILL TANKS.

Breeding of Mosquitoes in Mill Tanks.

The statutory obligations and powers of the Corporation and the Municipal Commissioner for the control of malaria are set forth in Section 381 of the Bombay Municipal Act which provides, *inter alia*, that:—

> "If in the opinion of the Commissioner any tank or pond is likely to become a breeding place for mosquitoes, or in any other respect a nuisance, he may by notice in writing require the owner thereof to fill up the same or take such order for abating the nuisance as the Commissioner shall prescribe."

For the full text and its full effect, reference may be made to the Act itself.

For steam-driven mills, a large pond or reservoir, usually known in India as a tank, is required for the condensation of the steam.

The tanks provided in Bombay vary in size, that in the Rachel Sassoon Mill having a surface area of 35,000 square feet, a depth of 15 feet and a capacity of 52,500 cubic feet.

Filling in has not until recently been called for as an anti-malaria measure for two reasons, namely, that the tanks were necessary for the working of the mills, and secondly, that in most cases though not in all the water in them has been raised by the steam to a temperature which has prevented the development in them of mosquito larvæ.

With the substitution of electrical power for steam, a radical change in the situation has occurred in the mills where steam power is no longer used.

Larvæ are no longer destroyed by heat and many of the tanks attached to such mills, as is on all hands admitted, have become prolific breeding grounds for mosquitoes.

Under these circumstances the Commissioner demanded the filling in of the whole of any tank attached to an electrically-driven mill with the exception of a portion, sufficient for fire and fire insurance purposes, which was to be covered in with a mosquito-proof cover.

In reply, the Millowners' Association submitted that the cost of the works required would be prohibitive and asked for permission to adopt any less costly measures for preventing the breeding of mosquitoes that might be found to be effective.

The question has now been referred to the Advisory Committee and by them to a Sub-Committee.

The Millowners' Association report the cost of the works called for in three typical mills to be, in round numbers, approximately as follows:—

	Rs.
Meyer Sassoon Mill	20,000
Rachel Sassoon Mill..	62,000
Jacob Sassoon Mill	1,80,000

The case of the Millowners is that many mills would be wholly unable to spend such sums, and further that in most instances the amount spent would be a dead loss because the reclaimed site of the tank would be neither saleable nor required for building or other purposes in connection with the mill industry.

The Committee, whilst accepting the truth of this contention in its application to a certain number of mills, are of the opinion that in others, even in the present depressed state of industry, an amount of one to two lacs of rupees is a small sum of money in proportion to their total value and profits and could be raised without serious difficulty. It is further not admitted that the land reclaimed would in all cases be unsaleable and not required for mill purposes nor that the cost of reclamation would in all cases be a dead loss.

Alternative Measures.

The Committee are of the opinion that as compared with filling in, the only alternative, namely, the use of oil and other larvacides, can only be regarded as highly unsatisfactory. Filling in is final. In the application of larvacides there is no finality and their use leaves a tank perpetually likely to breed mosquitoes, whenever the application of the larvacide chosen is ineffectively carried out or discontinued.

In these circumstances the aim in every mill should be to fill in the tanks either forthwith in one operation or gradually from year to year as funds permit.

At the present time, it is agreed that a general order for the execution of this work would involve certain mills in grave financial difficulties but should the industry revive the issue of a general order should be reconsidered.

The treatment of Tanks with Larvacides.

In the meantime the Sub-Committee are prepared to accept as an alternative to filling in the use of larvacides under a scheme which has for the most part been agreed to by the Secretary of the Millowners' Association in his letter dated 8th February 1927 addressed to Mr. Stones.

Outline of the Scheme.

In every mill in which a tank for the condensation of steam has been found to be breeding mosquitoes, the owner, if electrical power has been substituted for steam, will be called upon to fill in the tank or to pay the cost of the following preventitive measures :—

The mills called upon will be arranged in groups of twelve.

Each group will be in charge of an anti-mosquito squad consisting of one inspector on Rs. 100 per month and three coolies on Rs. 25.

The inspector with his coolies will examine the tanks of 4 mills daily (except on Sundays) in the dry weather and of 2 mills in the monsoon and will, if necessary, oil the tanks once a week, clear the banks of vegetation and remove floating vegetation and *debris*.

Any given mill will be visited weekly on the same day and at the same time when the engineer in charge of the mill will accompany the inspector to corroborate the results of the inspection made and will afford every reasonable facility for the carrying out of the necessary anti-mosquito measures.

The manager of each mill will issue written orders to this effect.

The inspectors should enter in their diary regularly the date and result of the inspection of each tank and the details of the treatment used. These diaries should be inspected at intervals by the Municipal Deputy Executive Health Officer (Malaria). A yearly report should be made to the Committee by the Municipal Executive Health Officer.

Steam-driven Mills.

The filling in of tanks in steam-driven mills will not be called for, but if the tanks are found to be breeding, such mills will, as in the case of those driven by electricity, be required to come into the scheme and pay the cost of the preventitive measures described above.

Oil Mixture and Cost.

The method provisionally agreed upon as the result of experiments carried out by Dr. Dalal on behalf of a group of mills will consist in oiling the surface of the water in the tank with a mixture of three gallons of residual oil, two gallons of kerosene and 2 ounces of castor oil. One gallon of this mixture poured on to the water for every 25 linear feet of the border of the tank is reported to have sufficed for the destruction of the larvæ in the tank.

The cost of the mixture is estimated, at wholesale price, to be As. 10 per gallon.

A tank such as the Rachel Sassoon measuring approximately 35,000 square feet and 130 × 270 feet with a border measuring 800 linear feet, will require 32 gallons of the mixture once a week if breeding, at a weekly cost of As. 320 or Rs. 20.

The cost monthly will be Rs. 80 or annually Rs. 960.

Experience may show that other methods will be more effective and possibly cheaper. This estimate does not provide for the essential work of keeping the tanks clear of vegetation, but the added cost of this initial step and its repetition some four or five times a year will not be great.

Cost.

The wages of one Inspector at Rs. 100 and 3 coolies at Rs. 25 will together amount to Rs. 175, the share which each mill in the group will be called upon to pay being Rs. 15 per month in the monsoon and Rs. 7-8 in the nine months of the dry season.

The maximum cost of oil will vary from Rs. 500 for a tank about the size of the Manchester tank, 9,000 square feet or 75 × 120 feet, to Rs. 1,000 for the Rachel Sassoon tank.

Wages and oil combined will cost :—

Cost per mill in Rupees.

	Wages.	Cost of oil.		Total cost.		
		From	To	From	To	
Monthly	Rs. 7½ for 9 months Rs. 15 for 3 months	40	80	47½ 55	87½ 95	(9 months) (3 „)
Yearly	Rs. 112	480	960	592	1,072	

Prosecution.

For the success of the scheme outlined above the whole-hearted support of the Millowners' Association, the public and the Courts, as in other anti-malarial measures, will be essential. The maximum fine that can be inflicted for failure to fill in a tank is Rs. 50 with a daily fine of Rs. 5 after conviction. Thus a daily fine if it were secured for 300 days in a year would only amount to Rs. 1,500 and would not exceed by much the cost of oiling, whilst the cost of filling might be one hundred times greater than the maximum annual penalties.

Millowners' Association.

In para 2 of a letter dated 8th February addressed to Mr. Stones, their representative on the Advisory Committee, the Secretary of the Millowners' Association has said :—

> "At the outset I am desired to point out that the Committee of the Association has no executive power in regard to individual mills in matters of this nature, but they are prepared to recommend the principle of the scheme set forth in the letter of the Executive Health Officer to all their members for favourable consideration provided that only those mills of which the tanks have been proved to be breeding malarial mosquitoes shall be required to take the anti-malarial measures set forth in the scheme, and that the possibility of a malarial staff attending to more than one mill tank per day is considered by the Malaria Advisory Committee."

In the scheme and recommendations now put forward, the principles referred to by the Secretary of the Association have been adhered to with no modifications except those that have been designed to meet his views or those of Mr. Stones.

Executive Action.

The Committee recommends that subject to the whole question being reconsidered in the light of experience, measures for the prevention of the breeding of mosquitoes in mill tanks should be carried out by the Municipal Deputy Executive Health Officer (Malaria) on the lines suggested in this report.

No. 535/40 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *19th March*, 1927.

THE SECRETARY,
THE ANTI-MALARIA ADVISORY COMMITTEE, BOMBAY.

SIR,

I am directed to acknowledge the receipt of your letter HM/3/B, dated 16th March 1927, enclosing a copy of the report of the Malaria Advisory Committee on mill tanks.

As desired, the report will be circulated to the members of the Association for information. There are, however, one or two points in the report upon which my Committee might desire to comment regarding which I shall, if necessary, address you at a later date.

In your letter you have requested me to communicate to you "the groups of mill tanks formed on the lines suggested in the 'Outline of the Scheme.'" I think you will agree that it would be impossible for me to do this until the Association has been informed as to names of the mills of which the tanks have been found to be breeding mosquitoes. In my letter of the 8th February I pointed out that my Committee were prepared to recommend the scheme to the members of the Association for favourable consideration "provided that only those mills of which the tanks have been proved to be breeding malarial mosquitoes should be requested to take anti-malarial measures" and as yet the names of these mills have not been sent to me.—I have, etc.,

T. MALONEY,
Secretary.

No. 596/40 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *28th March*, 1927.

THE SECRETARY,
THE MALARIA ADVISORY COMMITTEE, BOMBAY.

SIR,

Reference: your letter No. HM/3/B, dated 16th March 1927.

In my letter No. 535/40, dated 19th March, 1927, I pointed out that my Committee might possibly desire to criticise some of the statements in the report of the Malaria Advisory Committee. Since that letter was written, my Committee have given the report their most careful consideration, and I am directed to call attention to the observation that certain mills could afford to spend one or two lacs of rupees on filling in. In my Committee's opinion no mill in Bombay can, in view of the intense competition which they have to meet, afford to spend a single pie more than is necessary in any unremunerative undertakings, and moreover they are of opinion that no orders for filling should in future be issued if it is proved that tanks breeding malarial mosquitoes can be effectively sterilized by the measures agreed upon between the Advisory Committee and the Committee of my Association. For a similar reason my Committee do not consider that the aim of every mill should be to fill in the tanks forthwith or gradually from year to year as funds permit. At the same time, I am desired to point out that the Millowners' Association are desirous of taking all practicable measures for the prevention of malaria, and will recommend that special attention be given by their members to any suggestions put forward or orders issued for the purpose of lessening the malarial menace.—I have, etc.,

T. MALONEY,
Secretary.

No. HM/3/B of 1926-27.

BOMBAY MUNICIPALITY,
PUBLIC HEALTH DEPARTMENT,
BOMBAY, *29th March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

With reference to your letter No. 535/40, dated the 19th instant, I enclose a list showing the names of mills in which the tanks were found breeding mosquitoes at one time or another during the year 1926.

This list must not be taken as including all the mill tanks in the city that are likely to breed or that may even now be breeding and it must be understood that additions will be made as cases of breeding hitherto undiscovered arise.—I have, etc.,

J. S. NERURKER,
For *Executive Health Officer.*

List showing the names of Mills of which the Tanks were found to breed Malarial Mosquitoes during the year 1926.

	NAME OF THE MILL.	WARD.	ADDRESS.
1	The Alexandra Mill	E	55, Chinchpookli Road.
2	The Alliance Cotton Manufacturing Mill	D	Tardeo Road.
3	The Apollo Mills	G	DeLisle Road.
4	The Assur Virjee Mills. (The New Sun Mill)	G	Sun Mill Road.
5	The Birla Mills. (Indo-China Mills)	F	Sewri New Road.
6	The Bomanji Petit Mills	E	Clerk Road.
7	The Bombay Oil Mill (The Elphinstone Oil Mill)	E	Victoria 2nd Cross Lane.
8	The Bombay Industrial Mill	G	Tulsi Pipe Road.
9	The Bombay United Manufacturing and Weaving Mills (Swadeshi Mills)	D	Charni Road.
10	The Century Mills	G	Globe Mill Passage Road.
11	The Chhoi Silk Mill	F	Suparibag Road.
12	The China Mill	F	Sewri New Road.
13	The Currimbhoy Mills	G	Tulsi Pipe Road.
14	The David Mills No. 1	G	Carrol Road.
15	Do. Do. No. 2	E	Do.
16	The Dawn Mill	G	Fergusson Road.
17	The Dinshaw Petit Mill	F	Parel Road.
18	The Ebrahim Pabaney Mill	G	Tulsi Pipe Line.
19	The Edward Sassoon Mill	G	Fergusson Road.
20	The Elphinstone Woollen Mill	G	Elphinstone Road.
21	The Emperor Edward Mill	E	Matharpakhady Road.
22	The Great Eastern Mill	E	Parel Road.
23	The Hongkong Mill (Manchester Mill)	E	Chinchpookli Cross Lane.
24	The Hindoosthan Spinning and Weaving Mill	E	Ripon Road.
25	The Imperial Cotton Mill	G	Haines Road.
26	The Indian Manufacturing Mill	E	Ripon Road.
27	The Islam Mill	F	Currey Road.
28	The Jam Mills	F	Suparibag Road.
29	The Jamshed Mill	G	Fergusson Road.
30	The Jiwraj Baloo Mill	D	Tardeo Road.
31	The Kaiser-I-Hind Mill	E	50, Ghorapdeo Road.
32	The Khatau Makanji Mill	E	Haines Road.
33	The Kohinoor Mill	F	Naigaum Cross Road.
34	The Madhawji Dharamsey Mill	E	138, Foras Road.
35	The Maneckji Petit Mills	D	Tardeo Road.
36	The Moon Mill	F	Sewri New Road.
37	The Morarji Goculdas Mill	F	Suparibag Road.
38	The New City Mill	E	Chinchpookli Road.
39	The New Flour Mill (Union F.)	E	43, Chinchpookli Road.
40	The Paper Mill	D	Girgaum Road.
41	The Pearl Mill	G	Globe Mill Passage.
42	The Planet Mills (Pralhad Mill).	G	Fergusson Road.
43	The Presidency Mill	G	Do.
44	The Premier Mill	G	Do.
45	The Rachael Mill	E	50, Chinchpookli Road.
46	The Sassoon Spinning and Weaving Mill	E	2, Ghorapdeo Road.
47	The Shivlal Pitty Spinning. Mill	D	Tardeo Road.
48	The Sir Shapoorji Bharucha Mill No. 1	G	DeLisle Road.
	Do. Do. „ 2	G	Do.
	Do. Do. „ 3	G	Do.
49	The Toyo Podar Cotton Mills	G	Do.
50	The Turkey Dye Works	G	Cadell Road.
51	The Western India Mill	F	Kalachowky Road.
52	The Woollen Mills (Indian)	G	Haines Road.
53	The Victoria Mills	D	Gamdevi.
54	The Birla Mills	G	Elphinstone Road.

No. 626/40 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *2nd April*, 1927.

THE EXECUTIVE HEALTH OFFICER,
PUBLIC HEALTH DEPARTMENT, BOMBAY.

SIR,

I have the honour to acknowledge receipt of your letter No. HM/3/B, dated 29th March, 1927, together with the enclosure referred to therein.

2. In your letter to Mr. F. Stones dated 22nd January 1927, you suggested that 10 mills should be comprised in one group and in your letter No. HM/3/B of 16th March, 1927, you stated that the mills should be arranged in groups of 12.

3. As you have sent a list of 54 mills, I have thought it best to arrange them in four groups of 11 mills each and one group of 10 mills, as will be noticed from the statement enclosed herewith. (List A.)

4. I am taking the necessary steps to inform all Bombay mills which are members of the Association of the arrangements made. I also send a list of mills which are not members of the Association but which are included in your list of 54 mills. With these mills you will have to communicate direct (List B.)—I have, etc.,

T. MALONEY,
Secretary.

LIST A.

Group I.

1. The Swadeshi Mills No. 2 (Bombay United Spg. & Wvg. Co., Ltd.)
2. „ Victoria Mills.
3. „ Madhowji Dharamsi Mills, Ltd.
4. „ Jivraj Baloo Mills.
5. „ Maneckji Petit Mills.
6. „ Raja Bahadur Motilal Bombay Mills (Shivlal Pitty Spinning Mill).
7. „ Alliance Cotton Mills.
8. „ Paper Mills.
9. „ Indian Manufacturing Co., Ltd.
10. „ Bomanji Petit Mills.
11. „ Hindustan Mills.

Group II.

1. The Emperor Edward Mills.
2. „ Khatau Makanji Mills.
3. „ Sassoon Spinning & Weaving Mills.
4. „ New Great Eastern Mills.
5. „ Manchester Mills (Hongkong Mills).
6. „ New Kaiser-I-Hind Mills.
7. „ New City of Bombay Mills.
8. „ Alexandra Mills.
9. „ Rachael Sassoon Mills.
10. „ Bombay Oil Mills (Elphinstone Oil Mills).
11. „ New Flour Mill (Union).

Group III.

1. The Dinshaw Petit Mills.
2. „ Western India Mills.
3. „ Jam Manufacturing Company.
4. „ New Islam Mills.
5. „ Morarji Goculdas Mills.

Group III—contd.

6. The Birla Mills, Ltd., No. 2 (Indo-China Mills).
7. „ New China Mills.
8. „ Moon Mills.
9. „ Chhoi Silk Mills.
10. „ Elphinstone Woollen Mills.
11. „ Kohinoor Mills.

Group IV.

1. The Apollo Mills.
2. „ Sir Shapurji Broacha Mills (3 mills)
3. „ Assur Veerji Mills.
4. „ Edward Sassoon Mills.
5. „ Pralhad Mills.
6. „ Jamshed Mills.
7. „ Dawn Mills.
8. „ Presidency Mills.
9. „ Toyo Podar Cotton Mills.
10. „ Indian Woollen Mills.

Group V.

1. The Bombay Industrial Mills.
2. „ Ebrahim Pabaney Mills.
3. „ Currimbhoy Mills.
4. „ Pearl Mills.
5. „ Century Mills.
6. „ David Mills No. 1.
7. „ Do. No. 2.
8. „ Birla Mills No. 1
9. „ Imperial Mills.
10. „ Premier Mills.
11. „ Turkey Red Dye Works.

LIST B.

Mills which are not members.

1. The Alliance Cotton Manufacturing Mill (in liquidation).
2. „ Bombay Oil Mill (Elphinstone Oil Mill).
3. „ Bombay Industrial Mill.
4. „ Chhoi Silk Mill.
5. „ Elphinstone Woollen Mills.
6. The Islam Mills.
7. „ Jivraj Baloo Mills.
8. „ New Flour Mills (Union F.)
9. „ Paper Mills.
10. „ Presidency Mills.
11. „ Toyo Podar Cotton Mills.
12. „ Jam Mills.

No. 634/40 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *6th April*, 1927.

To

ALL MEMBERS OF THE BOMBAY MILLOWNERS' ASSOCIATION WHOSE MILLS ARE SITUATED WITHIN THE CITY AND ISLAND OF BOMBAY

DEAR SIRS,

You are doubtless aware that some time back the Government of Bombay appointed a Special Committee to inquire into the causes of the prevalence of malaria in Bombay and to suggest remedial measures.

2. This Committee has submitted to the Association a report as per copy* enclosed herewith on anti-malarial measures in connection with mill tanks.

3. It will be remembered that the Municipality originally required mill tanks to be filled in, and the Association had to put up a strong fight in view of the heavy costs for filling in. The Malaria Advisory Committee, in the enclosed report, also recommend the filling in of mill tanks, but in view of the depressed state of the industry, they are prepared to accept as an alternative to filling in the use of larvacides under a scheme which has been agreed to by the Committee of the Association, subject to the following reservations :—

(*a*) The Committee of the Association has no executive power in regard to individual mills in matters of this nature, but they are prepared to recommend the principle of the scheme to all members for favourable consideration provided that only those mills of which the tanks had been proved to be breeding malarial mosquitoes would be required to take the anti-malarial measures set forth in the scheme.

(*b*) The Committee take strong exception to the observation made in the report that certain mills could afford to spend one or two lacs of rupees on filling in. In the Committee's opinion no mills in Bombay can, in view of the intense competition which they have to meet, afford to spend a single pie more than is necessary in any unremunerative undertakings.

(*c*) The Committee maintain that no orders for filling in should in future be issued if it is proved that tanks breeding malarial mosquitoes can be effectively sterilized by the measures agreed upon between the Malaria Advisory Committee and the Committee of this Association.

(*d*) For a similar reason the Committee of the Association do not consider that the aim of every mill should be to fill in the tanks forthwith or gradually from year to year as funds permit, as stated in the enclosed report.

4. The Executive Health Officer to the Bombay Municipality (who is Secretary to the Malaria Advisory Committee) subsequently sent a list of 54 mills in which the tanks were found breeding mosquitoes at one time or another during the year 1926, with a request that these mills might be formed into groups on the lines suggested in the scheme, and I forward herewith this list† of 54 mills arranged in four groups of 11 mills each and one group of 10 mills. The Executive Health Officer has been duly informed of this grouping of mills.

5. I am now to request that all mills whose names appear in the enclosed list will adopt the necessary measures without delay for giving effect to the recommendations contained in the enclosed report, which, as already pointed out, the Committee have accepted subject to the reservations set forth above.—Yours, etc.,

T. MALONEY,
Secretary.

*Already printed as an enclosure to the letter received from the Anti-Malaria Committee.
†Already printed.

BOMBAY, *23rd November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am forwarding herewith two letters in original, received from the Secretary of the Malaria Advisory Committee, for your information and attention.

The stand I have taken with reference to this contribution, is that we as a body would not do anything, as it was up to the Municipality to find the whole of the sum required and our contribution to same would already be provided as rate-payers.—Yours faithfully,

FRED STONES.

HM/12/A.

PUBLIC HEALTH DEPARTMENT,
MUNICIPAL OFFICES,
BOMBAY, *22nd November*, 1927.

F. STONES, ESQ., O.B.E.,
BOMBAY.

SIR,

SUBJECT :—*Anti-Malarial Measures in the City of Bombay.*

I have the honour to forward herewith for your information a copy of letter No. 6073/D, General Department, dated 31st October, 1927, received from the Secretary to the Government of Bombay, General Department.—I have, etc.,

J. S. NERURKER,
Secretary, Malaria Advisory Committee.

Copy of letter No. 6073/D, dated 31st October, 1927, received by the Chairman, Malaria Advisory Committee, from the Secretary to the Government of Bombay, General Department.

SIR,

With reference to the correspondence ending with your letter No. HM/12/A, dated the 13th October, 1927, I am directed by the Government of Bombay (Transferred Departments) to state that they have now been advised that it would be best to commence the anti-malarial survey from March next. The name of Major Covell, M.D., I.M.S., in charge of the Malarial Bureau at Kasauli, has been suggested as an expert malariologist by the Director-General, Indian Medical Service, and steps will be taken, if possible, to obtain his services in due course. In this connection, I am to observe that Sir Ronald Ross, the foremost malariologist in the world, is expected to visit India this cold weather to help Provincial Governments to establish malaria control work and the Government of Bombay are in communication with the High Commissioner for India to take advantage of his presence in India and have already expressed their willingness to contribute their share towards Sir Ronald's expenses. The total contribution due from Bombay is estimated roughly at £200. I am to express the hope that the other authorities concerned will pay their shares of this additional amount.—I have, etc.,

G. M. PHENGE,
For *Secretary to the Government of Bombay, General Department.*

No. 2392/40 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *7th December*, 1927.

F. STONES, ESQ., O.B.E.,
BOMBAY.

DEAR SIR,

With reference to your letter of the 23rd November, 1927, enclosing two letters in original received from the Secretary of the Malaria Advisory Committee, I beg to inform you that the Committee have passed a resolution approving of your action in making it clear that the Association as a body cannot contribute anything towards the expenditure to be incurred in connection with the forthcoming visit of Sir Ronald Ross.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 17.

PROVISION OF CRECHES IN MILL AREAS IN BOMBAY

No. 1066/D.

GENERAL DEPARTMENT,
BOMBAY CASTLE, *11th February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Provision of Creches in Mill Areas in Bombay.*

With reference to your letter* No. 2206/146, dated the 21st December, 1926, on the subject mentioned above, I am directed by the Governor in Council to state that Government do not propose to pursue the matter any further for the present on account of financial stringency and also on account of the depression in the textile industry of Bombay.—I have, etc.,

A. H. DRACUP,
Under Secretary to the Government of Bombay,
General Department.

APPENDIX 18.

MATERNITY CONDITIONS OF WOMEN MILL WORKERS.

ANIK HOUSE,
MEREWETHER ROAD,
BOMBAY, *27th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am doing research on the causes of maternal mortality in Bombay (during childbirth) and have been studying the maternity conditions of women mill workers in the Wadia Maternity Hospital. In this connection I should like to visit some of the cotton mills and see the nature of the work done by the women, and perhaps ask them a few questions about their habits during childbirth. Mr. Johnstone, the Chief Inspector of Factories, advised my writing to you for permission to do so. I would take with me my Mahrati assistant Mrs. Talpode. Miss Cama who works under the Chief Inspector of Factories, would accompany me.—Yours faithfully,

(Miss) M. S. BALFOUR, M.B.

*Published as an appendix to the Association's Report for 1926, please see page 258.

No. 1579/150 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 30*th August*, 1927.

MISS M. S. BALFOUR, M.B.,
BOMBAY.

DEAR MADAM,

With reference to your letter of the 27th instant, I am directed to inform you that the agents of the undermentioned mills have agreed to give you the necessary facilities in their mills to enable you to see the nature of the work done by the women and if necessary, to ask them questions about their habits during childbirth :—

The Spring Mills,
The Pearl Mills,
The Kohinoor Mills,
The Finlay Mills.

It may be pointed out that in giving you these facilities, the agents of the above mills have departed from the usual practice of not admitting people unconnected with the working of the mills, on the understanding that while in the mills you will confine yourself to the purpose indicated in your letter.

Will you kindly communicate direct with the managers of the above mills so that they might inform you of the time when you may call at their mills ?—Yours, etc.,

J. P. WADIA,
Assistant Secretary.

APPENDIX 19.

INDUSTRIAL INVESTIGATION ORGANIZED BY THE NATIONAL CHRISTIAN COUNCIL OF INDIA, BURMA AND CEYLON.

NATIONAL CHRISTIAN COUNCIL
OF INDIA, BURMA AND CEYLON,
POONA, *4th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am writing to you on behalf of the National Christian Council of India, Burma and Ceylon, of which I am one of the Secretaries. My object in writing to you is to obtain through you the sympathetic interest and co-operation of the Millowners' Association of Bombay, in an important industrial investigation which is being arranged under the auspices of the National Christian Council. The purpose of this investigation is to obtain correct information as to industrial conditions in some of the major industries in India and on the basis of these facts to make recommendations and suggestions which may assist both the employers and the workers to improve the conditions under which labour is carried on. The aims of the investigation are wholly philanthropic and it is for that reason that the National Christian Council are confident that they will receive encouragement in their task from such bodies as your Association and the co-operation that will enable them to make it full, exact and impartial.

As director of this industrial enquiry the National Christian Council have been so fortunate as to secure a lady of great experience in such work, Miss Cecile Matheson. The position of authority that Miss Matheson holds is indicated by the fact that she is a member of the British Industrial Court and of various Trade Boards in Great Britain. She has been a member of various Committees of Inquiry under the Safeguarding of Industries Act, the Old Age Pensions Acts, etc., and at the same time she is the author of various books on industrial and economic questions and a lecturer on social and industrial reconstruction on the University Extension Staffs of Oxford, Cambridge and London. This is sufficient to indicate the position of authority that Miss Matheson holds and the confidence with which she is regarded by those who have charge of industrial problems in Great Britain. She will have associated with her in this country Miss Iris Wingate of the Y. W. C. A., who has given some study to industrial conditions in India, and one or two Indians who shall have the advantage of studying these questions in association with her.

I may mention that the plans for this inquiry have been brought to the notice of His Excellency the Viceroy and have his sympathetic interest. Members of the Imperial Government and of the League of Nations have also expressed themselves as anxious that the inquiry should be carried through successfully.

The lines which it is proposed that the investigation should follow, are as follows :—

(*a*) Fundamental study of the conditions of the working people, covering hours of work, conditions of work, wages paid, methods of recruiting and oversight, standard diet, housing, etc.

(*b*) The possibilities of welfare work, the best methods by which such may be accomplished, and in particular the lines of work that may be followed by Christian Missions.

(*c*) A study of the possibilities of co-operation between the Government, the employers and the Christian bodies.

I have laid all these facts before you in the confidence that this enquiry will obtain your cordial co-operation and that of your Association. Miss Matheson is expected to arrive in Bombay early in August and will begin by studying the situation in the Cotton Industry in Bombay and elsewhere. She will also study the position of the other great industries of this country—Iron and Steel, Coal, Tea and Jute. We shall be happy to meet with you and discuss what arrangements you can see your way to make with a view to giving Miss Matheson and her fellow-investigators the best opportunities for their study. I shall be happy to hear from you at your convenience.—Yours, etc.,

N. MACNICOL,

No. 1484 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th August*, 1927.

THE SECRETARY,
THE NATIONAL CHRISTIAN COUNCIL OF INDIA, BURMA AND CEYLON,
POONA.

DEAR SIR,

With reference to your letter of the 4th ultimo, my Committee will be pleased to accord an interview to your representatives in connection with the proposed industrial investigation.

A meeting will be arranged later on on a date convenient to both sides.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 20.

INDUSTRIAL HOUSING SCHEME OF THE DEVELOPMENT DEPARTMENT.

REPORT OF THE SPECIAL ADVISORY COMMITTEE ON INDUSTRIAL HOUSING SCHEME.

No. 796/66 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *9th May*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
DEVELOPMENT DEPARTMENT, BOMBAY.

SIR,

SUBJECT :—*Report of the Special Advisory Committee on the Industrial Housing Scheme.*

I am directed by the Committee of the Bombay Millowners' Association to address you in regard to the report of the Special Advisory Committee on the Industrial Housing Scheme.

2. After a very careful and detailed study of the majority and minority reports of the Special Advisory Committee on the Bombay Housing Scheme, my Committee are reluctantly compelled to condemn the majority report as futile and halting.

3. In para 17 of the report it is stated :—

> "We desire to call attention to the difference between the final cost according to the revised project estimates of Rs. 2,084 per room and the original estimate of Rs. 1,100 per room given in 1920 when the Bill for the levy of the town duty on raw cotton was introduced in the Legislative Council. We do not comprehend why, when Government found that the original estimates were certain to be largely exceeded, the facts were not fully described and the financial effects on the Housing Scheme explained to the public, as should be the normal procedure in launching a scheme of this magnitude. The original estimate of the loss to be covered on 50,000 tenements was Rs. 13½ lacs, whereas on the figures given in para 7 above, the sum of Rs. 16⅓ lacs is required to cover the loss on 16,544 tenements and even this figure will be exceeded till the losses due to vacancies and bad debts are reduced to 10 per cent. of the gross rental."

In my Committee's opinion, this passing reference to a policy calculated to hide from the public the facts that there was absolutely no possibility of the housing scheme being successfully completed at anything like the cost originally estimated and that there was no chance of the Development Department's share in the proceeds of the town duty on cotton meeting the disparity between the receipts and expenditure if 50,000 tenements were completed is entirely inadequate.

In the speech of Sir George Lloyd when introducing the Bill which made it possible to impose the town duty on cotton, it was estimated that the cost per tenement would be in the neighbourhood of Rs. 1,100. Before even a single chawl was started, it must have been known to Government that the Rs. 1,100 estimate would be greatly exceeded and this fact, it is thought, should have been made known to the public, the Legislative Council and the other interests concerned at the earliest possible moment. Had the real facts been made known, there is no doubt that the housing scheme would have been abandoned at an earlier date to the great advantage of the taxpayer. As far as the Association is aware, the facts were not even made known to the Special Advisory Committee until too late to allow of any effective action being taken, and even when a reduction in the chawl building programme was eventually decided upon, the decision was taken not because the original estimates of costs had been grossly exceeded and it was impossible for the housing scheme to be a financial success, but because it was seen that there was no demand for anything like 50,000 tenements.

4. An examination of the details of the original estimates and the actual costs of the chawls is instructive and exemplifies the need for condemnation of a policy which allowed the suppression of a fact of paramount importance which must have been known to Government and the senior officers of the Development Department as far back as 1921.

Original Estimate of Costs.

Cost of land	Rs.	300
Cost of room	Rs.	800
Total ..	Rs.	1,100

Final Estimate of Costs.

Cost of land	Rs.	354	
Cost of structure	Rs.	1,446	
Sewage, water-supply, establishment, etc.	Rs.	284	
Total ..	Rs.	1,730	(for structure, sewage, etc.)
Grand Total ..	Rs.	2,084*	

(* NOTE.—This figure of costs does not include interest charges during construction which it appears must have been met from the cotton cess revenue and which, in the Committee's opinion, should have been charged to capital.)

Leaving out the cost of the land which is only 18% more than the original estimate, it will be seen that the cost per tenement was 116% above the original estimate. The scandalous negligence of the department responsible for the inaccuracy of the original estimates is apparent from the figures, but that the fictitious character of the basis on which the Housing Scheme was launched by Sir George Lloyd and agreed to by the Legislative Council and the Millowners was hidden for so long is, in the opinion of my Committee, inexcusable.

Had Government made known the facts and had the revised estimates been submitted to and received the sanction of the Legislative Council and the cotton trade, or even if the public had been warned that the cost per room was likely to be nearer Rs. 2,000 than Rs. 1,000, there would have been some justification for asking the cotton trade to continue to bear the full impost of Re. 1 per bale on cotton brought into Bombay, but the fact that no warning of any sort was given until too late to prevent a serious financial disaster, in the opinion of my Committee, justifies their demand that the cotton trade should be relieved of a proportion of the duty equivalent to the saving which would have been effected had the 16,840 tenements now erected been constructed at a cost of Rs. 1,100 per tenement as provided for in Sir George Lloyd's original estimate.

It is the considered view of my Committee that a great deal of the expenditure incurred was both wasteful and unnecessary and they are unanimously of the opinion that the cotton trade of the city should not be penalised for the colossal blunders which have been made.

5. In their opinion, there is also a case for an investigation of the need for the continuance of the payment of that portion of the cotton cess which provides Rs. 4 lacs per annum for suburban development and the justification for the imposition of a tax on the cotton trade to provide funds for the Municipality which, under ordinary circumstances, would have been provided by Municipal rates and taxes. The Municipality have for the last 6½ years been receiving about Rs. 15 lacs per annum from the cotton cess and it is open to doubt whether this money has been utilized in the manner laid down by Sir George Lloyd, namely, "to raise the general standard of municipal efficiency and to enable the Municipality to discharge their municipal duties in respect of the new areas that they will have to administer and make large provisions for....."

6. The proposal of the Advisory Committee that a competent and representative Committee should be appointed to estimate the effects of the cotton cess on the trade of Bombay including the mill industry, in the opinion of my Committee, amounts to shelving their own responsibilities. The detailed representations of the Bombay Chamber of Commerce and the Port Trust on this subject were available to them and the reasons for their apprehensions as to the effects of the duty could and should have been set forth in detail.

7. The recommendation that a certain number of chawls should be let out on the contract system is an ineffective one without details as to the terms upon which they should be so let. So also the recommendation that blocks of chawls should be leased to employees at Worli at Rs. 4 per room is too indefinite to be of real assistance. It is, however, possible that many large employers of labour might be interested in the latter suggestion if the exact rents which they would be charged, and the exact conditions upon which chawls would be let were definitely laid before them by the Development Department.

The recommendation that interest charges should be reduced meets with my Committee's entire approval, but it would have been far more practical had the Advisory Committee indicated the means whereby such a reduction could be obtained.

Paragraph 8 of the report contains an estimate of the annual expenditure. It is not clear whether the Advisory Committee consider the estimate to be satisfactory and acceptable to them. If it is acceptable to the Advisory Committee, it is thought its justification ought to have been set forth in detail. In my Committee's opinion, there is something radically wrong with the management of the housing scheme when it costs such an enormous sum to collect the rents which have been collected in the past or it is hoped to collect in the future. Surely the Advisory Committee are not of the opinion that no further reductions in annual expenditure can be made.

8. Having briefly set forth their views on the majority report of the Advisory Committee and the case for the abolition or reduction of the cotton cess, my Committee desire to state their constructive proposals for minimizing the annual loss on the housing scheme, taking facts as they are to-day, and not as they might have been.

The problem raises two questions :—

(1) How to reduce the annual expenditure on the chawls ?

(2) How to increase the annual receipts to a maximum ?

The annual expenditure on the chawls in future years is estimated in the Advisory Committee's report as under :—

	Rs.
Interest	21,25,062
Sinking fund	1,43,792
Management & Establishment ..	1,62,000
Accounts establishment	12,000
Repairs, etc.	2,07,000
Engineers' establishment ..	40,400
Stores, sanitary, etc.	20,000
Rent at Sewri	14,000
Secretariat and Audit	12,000
Commission to rent collectors ..	12,500
Municipal taxes	1,98,792
Total Rs. ..	29,47,546

Interest charges.—One of my Committee's difficulties in estimating the accuracy of the interest and sinking fund estimates is the absence of complete information regarding the rate of interest. In paragraph 43 of the minority report, the actual capital expended on the 207 completed chawls is given as Rs. 3,42,72,000, but this figure does not include the cost of 4 chawls which are evidently still uncompleted, and it is not clear from the report why the figure of 6.21% has been taken as the interest rate. A fuller explanation as to the sources from which the capital has been obtained is absolutely necessary before the possibilities in the direction of a reduction in the rate of interest can be estimated with any degree of accuracy.

Whether any reduction in the rate of interest can be effected is, in my Committee's opinion, a matter of extreme importance. A proportion of the capital utilized in the construction of the tenements has evidently been obtained in the form of loans from the Government of India, and another portion from the proceeds of the 6½% Development Loan. The rate of interest charged by the Government of India is dependent upon the rate of interest paid by them. Now that the Government of India can obtain money at less than 5%, it should not be difficult for them to revise the rate of interest charged to Bombay, as their short-dated loans fall due for repayment (Rs. 18½ crores of 6% bonds are due for repayment on 1st October 1927). As regards the capital taken from the 6½% Development Loan, reduction is not possible until 1935, when the loan falls due for repayment.

That every effort should be made to devise means to reduce the interest rates is apparent from the fact that 1% reduction in interest rates would improve the finances of the housing scheme by over 3 lacs of rupees per annum—a much higher saving than can possibly be obtained by any other means.

In the opinion of my Committee, the only real hope of making any substantial savings in expenditure is to run the housing scheme on strictly business lines with one central office which should be made entirely responsible for the whole scheme. The present system of control is unsuited to economy and efficiency owing to divided control and should not be persisted in, now that building operations have stopped and there is no likelihood of any future construction being entrusted to the Development Department with the approval of the business community and the general public. If the control of the scheme were handed over to one central office as suggested above, it is maintained that it ought to be possible to cut down the annual expenditure to a considerable extent by reducing the actual expenditure on management; and the cost of accounting, engineering, secretarial and audit charges and commission to rent collectors.

Repairs.—The estimate for repairs seems unduly high. It is unusual for a landlord to spend the equivalent of 20% of the rental on repairs. The grant should be cut down to Rs. 1,00,000 per annum.

Rent at Sewri.—The reason for this item of expenditure has not been set forth in the report, but with so many vacant chawls and spare land it seems unnecessary.

Municipal taxes.—These work out at Re. 1 per room per month and the possibility of obtaining a special concession of at least 50% in view of the fact that the Municipal revenues are already augmented by Rs. 15 lacs per annum owing to the imposition of the cotton cess should be investigated. The Municipal taxes at the figure given in the estimate are equivalent to about 20% of the total rental.

Estimate of total annual expenditure necessary on the chawls.—

	Rs.	
Interest charges	21,25,062	
Sinking fund charges	1,43,792	
Management	1,25,000	(including management, accounts establishment, engineering establishment, secretariat and audit and commission to rent collectors.
Repairs	1,00,000	
Sanitary stores	20,000	
Municipal taxes	1,98,792	
Total Rs. ..	27,12,646	

(NOTE.—If a reduction of 1% in interest charges and 50% in Municipal taxes could be obtained, the annual expenditure would be reduced by another Rs. 4 lacs.)

9. The maximum receipts that can be expected in a normal year are considerably lower than the figures given in the Advisory Committee's report for the following reasons :—

Rents have been reduced at Worli and Naigaum as from 1st April 1927 and the cotton cess has been over-estimated. With rents at the new figures and allowing 10% for vacancies and bad debts, the total receipts from rents will be approximately Rs. 11 lacs. The receipts from the cotton cess in the year ending March 31st, 1927, will be much lower than in 1926—a fact which can be judged from the smaller receipts of cotton into Bombay. The estimate of Rs. 16,33,700 as given in the Advisory Committee's report has evidently been based on the average receipts for the last seven years and there is little or no hope of that figure being reached in the near future. The figure that could be hoped for in normal years in future, provided that the continued imposition of the cotton cess does not divert more of the trade from Bombay, would be round about the average of the last three years which, according to the Bombay Administration Report, would mean Rs. 15,33,000. The maximum receipts may therefore be taken as Rs. 26½ lacs.

10. After effecting the economies in expenditure which my Committee consider to be feasible there would be an annual loss on the scheme of about Rs. 1 lac per annum when all the chawls are occupied unless interest charges are reduced and/or a considerable concession is given in regard to Municipal taxation.

This being the case, my Committee are entirely opposed to any further reduction in rents being effected, as they are of the opinion that at the rents now charged it will be possible to fill the chawls if suitable means are adopted to attract tenants.

11. The means which immediately occur to my Committee as aids which might be employed to attract tenants to the chawls are set forth below :—

(*a*) The immediate completion of more adequate communication by well-lighted roads between Tulsi Pipe Road and Worli. At present the only decent road is Ferguson Road, and the completion of the proposed parallel road further north would considerably lessen the distance to the Worli chawls from the B.B. & C.I. Workshops and mills in that vicinity.

(*b*) The early completion of the proposed tramway service from Jacob Circle to Worli would also help to attract more tenants to the cheap accommodation now offered in the Worli chawls from the congested areas round Jacob Circle and DeLisle Road, and would, in addition, provide a rapid means of transport for Worli residents to the Fort and the cheap marketing centres and for workpeople to and from the localities in which they are employed.

(*c*) The provision of railway communication with Worli might also be brought to the notice of the G.I.P. and B.B. & C.I. Railways by the Municipality.

(*d*) There have, in the past, been numerous complaints regarding the insecurity of life and property in the Worli area and while the view persists amongst the mill-hands, as it undoubtedly does at present, that there is inadequate control by the police over the activities of *badmashes* in the Worli district, many possible tenants will be kept away from the Worli chawls. From information tendered by Mr. R. D. Bell, it appears that the chawl area at Worli is now regularly patrolled by the police, but my Committee think that the early establishment of a "police thana" in Worli is necessary to deal adequately with the situation and overcome the fears of the workpeople.

(*e*) It is understood that it is the intention of the Development Department to provide a market at Worli and my Committee fully approve of the early adoption of this suggestion. A temporary home for the market might, in the first instance, be provided in one of the unoccupied chawls.

(*f*) The preceding suggestions would only affect Worli and my Committee realize that something should be done to help to fill the chawls at Naigaum, Sewri and DeLisle Road. In the opinion of my Committee, there is little doubt that one of the reasons for the lack of tenants in the Development chawls is that a very large number of workers persist in remaining in infinitely worse accommodation belonging to private landlords. Many of these chawls are really unfit for human habitation as judged by present-day standards and should be condemned as U.F.H. by the Sanitary Department of the Municipality. My Committee consider that the authorities in charge of the housing scheme, should approach the Municipality with a request that the sanitary rules should be more rigidly enforced henceforward both in the interests of the health of the city and the finances of the housing scheme. *Bhisties* and temporary sheds should, in no cases, be allowed as human habitations. It has been said that the Municipality themselves own certain properties which ought to be condemned as insanitary and are therefore loath to put the screw upon private landlords. If this is true, it is scarcely to be wondered that the Development chawls do not contain as many tenants as they might otherwise have, and it is most damaging to the prestige and good name of the city fathers, and should not be persisted in. In the speech made by His Excellency Sir George Lloyd in 1920 when introducing the Bill to amend the Bombay Municipal Act, the following statement occurs :—

> "In July 1919, the Municipal Commissioner reported that out of a population then estimated roughly at 1,200,000, nearly 892,000 resided in one-room tenements. That taking 4 persons per tenement, the number of tenements required was 223,000 whereas the number of tenements existing was only 174,000 ; *that there were a further* 15,000 *tenements which, either because they were unfit for human habitation, or were structures of a purely temporary nature, ought to be replaced.*"

It is fairly certain that a large proportion of these 15,000 tenements are still used as habitations, and since at the present time there is no shortage of accommodation, my Committee consider that the question of condemning the remainder of the 15,000 tenements referred to by the Commissioner should be at once dealt with by the Municipal authorities.

(*g*) The help of large employers of labour might also be solicited to bring to the notice of their workpeople the advantages of the Development chawls. Tenants might also be attracted in greater number if the elaborate agreement which has to be entered into between the tenant and the Secretary of State for India were done away with. This document must undoubtedly terrify many potential but illiterate tenants and would seem to be entirely unnecessary. My Committee suggest that large employers should be asked to post notices in their mills, workshops and factories to the effect that they are prepared to obtain tenancies for their employees in the Development chawls if any of their workpeople desire such accommodation. Whether employers might be prevailed upon to collect rents from their employees housed in the Development chawls is a subject which might be discussed in detail at a later date. It is of course obvious that all bad debts could be eliminated if such an arrangement were made.

(*h*) The possibilities of leasing whole blocks of chawls to large employers of labour at reduced rentals, provided that the Development Department remain responsible for supervision, repairs, rates and taxes, should be fully investigated; but before any such scheme can be a success the terms should be definitely decided, and for this purpose, my Committee would advocate the holding of a joint conference of the Development Department and representatives of large employers such as the Mills, the Railways, the Port Trust, the Post Office, Engineering Workshops, etc.

12. In conclusion, I am to state that in my Committee's opinion, the chawls which have been built can be filled if proper and vigorous means are adopted in a business-like

manner and that the annual expenditure on the chawls could be materially reduced by handing over the entire management and control of the scheme to a central office, unfettered by red tape and multiple control.

There is no hope of ever completing the scheme for the erection of 50,000 tenements from the proceeds of the cotton cess of Re. 1 per bale, but if the present chawls are filled by the adoption of the above suggestions or by the adoption of similarly effective schemes, it will eventually be possible to meet the losses on 17,000 tenements from the present cess, and from 1935, by reducing the interest charges Government should be able to reduce the amount of the cess slightly. An immediate reduction of annas 2 could be made by the withdrawal of the annual grant of Rs. 4,00,000 for suburban development schemes which the cotton trade, in my Committee's opinion, should never have been called upon to pay.

Whether the amount which the Municipality are now paid from the cotton cess should continue to be so paid, or, whether it should be raised by other means in the true interests of the City and Island, is a matter for further detailed investigation.—I have, etc.,

T. MALONEY,
Secretary.

No. B1/59/SD.

DEVELOPMENT DEPARTMENT,
BOMBAY, *12th September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Report of the Special Advisory Committee on the Industrial Housing Scheme.*

REFERENCE :—*Your letter No.* 796/66, *dated* 9th *May* 1927.

I am directed to reply to your letter No. 796/66, dated the 9th May 1927, on the subject of the report of the Special Advisory Committee on the Industrial Housing Scheme.

2. In paragraphs 2 to 4 of your letter, your Committee deal with certain aspects of the inception and carrying out of the Industrial Housing Scheme. These matters were dealt with in Government's letter to your Association, No. 127/S.D., dated the 16th November 1926, to paragraphs 1 and 2 of which, in particular, I am to refer you. In that letter Government pointed out that the cost of the chawls appeared to be reasonable, when it was compared with that of post-war chawls built by the Improvement Trust against which there had never been any charge of extravagance or waste. Government, therefore, do not consider that the mere allegations of wasteful and unnecessary expenditure justify the demand that the cotton trade should now be relieved of a proportion of the town duty on raw cotton.

3. In paragraph 5 of your letter, your Committee state that there is also a case for investigating the need for continuing the payment of that portion of the cotton cess which provides Rs. 4 lacs per annum for suburban development as well as for the continued imposition of that portion of the tax which is earmarked for the Municipality. As regards suburban development, the sum of Rs. 4 lacs is now actually insufficient for meeting the interest and sinking fund charges on the expenditure already incurred on the development of communications in Salsette and is supplemented by a subsidy from Provincial revenues. As regards the Municipality's use of the funds received from the town duty on raw cotton, Government have no reason to doubt that the Municipality's share of the receipts has been and is being utilized for the purposes for which it is assigned. Government will refer in the following paragraph to their own position in regard to your request for the reduction or abolition of the duty but they do not think that the expression of opinion in paragraph 5 of your letter would justify them, at the present time, in questioning the proper use by the Municipal Corporation of their share of the receipts.

4. The Advisory Committee recommended in paragraph 14 of their report that an investigation of the effects of the town duty on raw cotton should be made by a competent and representative committee. In paragraph 8 of their letter No. 127/S.D., dated the 16th November 1926, Government referred to the fact that your complaints regarding the incidence of the town duty on raw cotton would be the subject of detailed investigation by the Indian Tariff Board (Cotton Textile Industry Enquiry). The recommendation of the Indian Tariff Board in paragraph 66 of their report is now under the consideration of Government.

5. Paragraphs 8 and 9 of your letter deal with the forecast of annual expenditure and receipts which was published in the Advisory Committee's report. Since this forecast was first prepared, considerable experience has been gained, on the one hand, in the management of the chawls while, on the other, there have been changes in the scale of rents. A revised forecast of annual expenditure amounting to Rs. 27.16 lakhs per annum has been prepared as under ; this has to be compared with the former forecast of Rs. 29.47 lakhs given in the Advisory Committee's report :—

Annual expenditure.

		Rs. (lacs)
1.	Interest	20.40
2.	Sinking fund	1.46
3.	Management and establishment ..	1.24
4.	Accounts establishment	.12
5.	Repairs	1.45
6.	Engineers' establishment at 19½% on item (5)	.28
7.	Sanitary stores, etc.	.20
8.	Ground rent at Sewri	.14
9.	Commission to rent collectors	.12
10.	Secretariat and audit	.09
11.	Municipal taxes	1.66
		27.16

The figures are prepared on the assumption that all the chawls will be ultimately occupied. Following the order of remarks in your letter, I am to make the following explanations on the revised forecast :—

Interest charges.—Interest charges were formerly calculated at the rate of 6.21 per cent., which was an estimate at the time of the average rate of interest on all the borrowings of the Development Department, a list of which is given in appendix A. In the revised forecast the rate of interest has in the meantime been taken at 5.88 per cent. which is an estimate of the average rate which will be paid after a portion of the existing debt has been cancelled by the transfer of block No. 8 in the Back Bay Reclamation Scheme to the Government of India. As regards your concluding remarks under this head, I am to state that the Government of India have already reduced the rate of interest on the 1921-22 loan from 6½ per cent. to 4¾ per cent. and that the rate of interest on some of the later loans is to be reconsidered by them in 1928.

Management and establishment.—Your Committee consider that increased economy and efficiency can be obtained, if the control of the scheme is handed over to one central office. This has, however, been the actual practice in the past. The rent collection establishment under the control of the Land Manager as well as the engineering establishment was directly controlled by the Director of Development. Only the accounts and audit establishments were under the separate control of the Government of India but they were housed in the same building in immediate contact with the Development Directorate. Moreover, contrary to the usual practice, the executive and administrative establishments were amalgamated with the secretariat establishment, so that, merely as regards unity of control, there is really no room for effective criticism. The former arrangement has been modified to the extent that the engineering establishment is, for technical purposes, now under the Public Works Department. In the process of retrenchment it is likely that, in future

the administrative and secretariat work will be separated. But your Committee will doubtless realize that, while Government are responsible for the management of the Industrial Housing Scheme and required to justify their management to the public and in particular to the Legislative Council, there must be a secretariat establishment as for all other activities of Government. It is altogether outside the normal functions of a secretariat to be in direct charge of executive and administrative work such as repairs and maintenance and collection of rents. Within the limits imposed by these necessities and their existing organization, Government consider that the estimate of future expenditure has been pruned as closely as it is possible at the present time to do so. It may be a matter of opinion whether secretariat charges should be debited to a scheme of this kind but at all events the revised forecast now shows the full annual expenditure likely to be incurred in the future.

Repairs.—The suggestion that repairs should be limited to the equivalent of 20 per cent. of the rental would be reasonable if the rent charged were an economic rent; but the suggestion seems to imply that, as rents are lowered, the expenditure on repairs should be cut down. The correct standard for the cost of repairs would appear to be the capital cost of the chawls, or rather what their capital cost would be at present-day rates. In the revised forecast given above, the annual cost of repairs has been taken at only Rs. 700/ per chawl, which includes repairs and renewals to water-supply pipes laid in the ground, taps, stop cocks, etc., and maintenance of gardens, trees, pavements, outer walling and lights in compounds. Government are hopeful that your Committee will agree that this is a moderate allowance for repairs and maintenance at the present time.

Rent at Sewri.—Government are not clear regarding the implication in your remark that this item appears to be unnecessary, since there will be so many vacant chawls and spare land. The chawl sites at Naigaum, Worli and DeLisle Road were acquired by purchase or under the Land Acquisition Act; but the site selected at Sewri belonged to the Port Trust, from which body it was necessary to obtain it on lease. The chawls there have been erected and are actually fully occupied. There is no material difference between taking the land on lease (and entering the rental in the forecast of expenditure) and acquiring the land by purchase or by acquisition (and entering a corresponding amount as interest and sinking fund charges on the capital cost).

Municipal taxes.—The municipal taxes are imposed in accordance with the City of Bombay Municipal Act and the fact that the Municipality also obtains revenue by the imposition of the cotton cess does not appear to Government to constitute a fair ground for approaching the Municipality for a special concession which could not be given without an amendment of the Act.

6. The estimate of annual receipts, when all the chawls are 90 per cent. occupied and an allowance of 4 per cent. is made for bad debts, is, on the present scale of rents, Rs. 10.63 lacs. This amount is Rs. 16.53 lacs less than the forecast of the total expenditure given above. If the receipts from the town duty on raw cotton do not reach this amount in future, as your Committee anticipate, the balance must be made up from Provincial revenues. Until the chawls are fully occupied, the difference between expenditure and receipts will be even greater than the figure given above. These facts will give your Committee a fair indication of the financial difficulties which have to be overcome before the rate of the town duty on raw cotton can be modified.

7. In the concluding paragraphs of your letter, your Committee have made suggestions for attracting tenants to the chawls. All these have been under the constant consideration and attention of Government for the past few years. The key to improved communication with Worli seems to be the overbridge at Mahalaxmi, which, it is hoped, will be ready next year and will make practicable a good tramway or bus service. Police protection at Worli is being further improved by the opening of two police *chowkies.* A market was opened at Worli in April last. Judging from the increase of tenants in all areas during the current year, it can hardly be alleged that there are now any real grounds for the chawls remaining untenanted except the apparent decrease in the population since the last census and the scale of rents.

8. In paragraph 10 of your letter, your Committee state that they are entirely opposed to any further reduction in rents. There can be little doubt, however, that the scale of rents is the determining factor in filling the chawls and in altering these in the past Govern-

ment have been guided almost entirely by financial considerations. If there seemed a reasonable prospect of a reduction in rents attracting such an additional number of tenants that the expenditure incurred in opening new chawls and the loss in receipts sustained by the reduction of rents of sitting tenants would be at least covered by the increase in the rent rolls from the additional tenancies, then Government have considered that the reduction should be carried out. So far the policy has been a financial success, as the forthcoming annual report on the Industrial Housing Scheme will show, Government are, however, inclined to agree with your Committee that the point has been reached, where further reductions must now be considered with caution. The question will not arise immediately, since the effects of the reductions made at Worli and Naigaum in April last are not yet exhausted. Until tenancies become stationary and remain so for some time, it will not be necessary to consider further reductions and Government are inclined to the hope that it will be possible in a reasonable time to fill the chawls at the rents now charged. But your Committee will realize that, in the case of Worli, the migration of large numbers of workers to that area requires a longer time than for the other areas.

9. Your remarks in paragraph 11 (*f*) about uninhabitable houses will be considered in consultation with the Municipal Commissioner but Government believe that the progress made in removing insanitary huts has recently been reasonably steady and that the Corporation are gradually arranging for the sanitary housing of their own staff, where this is desirable.

10. Your Committee consider that the agreement which a tenant is required to sign must terrify many potential but illiterate tenants. This is, however, not so in practice. The use of the agreement follows the practice of the Improvement Trust. In the class of tenants, who inhabit chawls, there is always a proportion which, unless strictly dealt with, cause trouble of many kinds and set a bad example and experience has shown that the agreement is really useful in maintaining a certain standard of discipline in the chawls.

11. The leasing of whole blocks of chawls to large employers of labour at reduced rentals has been mentioned in paragraphs 7 and 11 (*h*) of your letter. In this connection, I am to invite your attention to Government Press Note No. S.D. 663 dated the 14th April 1927, in which special concession rents have been announced for employers of labour, societies and others. So far there have been few enquiries from large employers for accommodation of their workpeople. Government are prepared to negotiate suitable conditions, apart from the amount of rent with employers who are members of your Association. An arrangement has already been concluded with the B.B. & C.I. Railway for the lease of five chawls at Worli. The Police Department has leased altogether three chawls at DeLisle Road and Naigaum. The Municipality have taken up a chawl at Naigaum for the menial staff of the King Edward Memorial Hospital and another is reserved for Custom's peons. Negotiations have also been in progress for a considerable time with the Post Office. Judging from the experience of these negotiations successful and unsuccessful, the principal difficulty of all employers, public and private, appears to be that of inducing the employees to utilize the accommodation offered. Where this difficulty can be overcome, there has never been any difficulty in settling terms with the employer and it is not likely that the joint conference suggested by your Committee would enable any of the employers concerned to overcome this difficulty. A set of model terms which can be modified to suit individual cases is, however, being prepared and these will be communicated to your Association in due course.

12. In conclusion, I am to say that Government appreciate the full and careful consideration which your Committee have given to this question and especially to the practical problem of getting the chawls filled. In nearly all cases Government have kept in view the various suggestions and criticisms contained in your letter. They are glad to assure your Committee that the report on the administration of the Industrial Housing Scheme for the year 1926-27, which will shortly be published, shows a satisfactory increase in the number of tenancies and a great improvement in the standard of rent collections. At the moment the attitude of Government is one of watchfulness but I am to say that they will be glad if your Committee will, whenever they consider it desirable, invite their representatives to meet them in order to discuss further the practical details of administration.—I have, etc.

R. D. BELL,
Secretary to the Government of Bombay,
Development Department.

APPENDIX A.

List showing the borrowings of the Development Department as they stand at present and the rates of interest they carry.

Borrowings.	Amount. Rs.	Rate of interest per annum.
Bombay Development Loan, 1920	2,43,93,000	6½%
Repayment by the Bombay Port Trust up to the 31st March 1927	14,44,869	
	2,58,37,869	
1921–22 borrowings from the Government of India	1,53,50,000	4¾%
1922–23 do. do.	2,85,00,000	6½%
1923–24 do. do.	2,79,50,000	6 %
1924–25 do. do.	2,00,00,000	5¾%
1925–26 do. do.	*1,85,00,000	5½%
1926–27 do. do.	†80,00,000	5 %
1927–28 do. do.	‡15,25,000	5 % (Provisional rate).

* Includes Rs. 2,12,000 for loans to the public for house building for which the rate of interest is 5¾%.

† Includes Rs. 3,67,000 for loans to the public for house building for which the rate of interest is 5½%.

‡ To be drawn on 31st March 1928. It includes Rs. 25,000 for loans to the public for house building for which the rate of interest is 5¼%.

No. 1863/66 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *11th October*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE DEVELOPMENT DEPARTMENT, BOMBAY.

SIR,

I have the honour to acknowledge receipt of your letter No. B1/59/SD, dated 12th September 1927, in reply to the Association's criticism on the report of the Special Advisory Committee on the Industrial Housing Scheme.

2. My Committee regret that Government have not advanced any reasons as to :—

(1) Why the facts in regard to the increased cost per tenement, which must have been known to Government before even the first chawl was completed, were not made known to the Advisory Committee, the Legislative Council and the public at an earlier date ; and

(2) Why the scheme was not abandoned at an earlier date, *i.e.*, before 17,000 rooms had been completed.

3. In the third para of your letter you state that as regards suburban development, the sum of Rs. 4 lacs is insufficient for meeting the interest and sinking fund charges on the expenditure already incurred on the development of communications in Salsette. My Committee, however, would like to be furnished with details regarding the expenditure incurred on suburban development, to enable them to go fully into this matter.

4. As regards the Municipality's use of the funds received from the town duty on raw cotton, my Committee note that Government have no reason to doubt that the Municipality's share of the receipts has been and is being utilized for the purposes for which it is assigned. My Committee believe this statement has been made through some misconception, for, in reply to an inquiry made in October 1925, the Municipal Commissioner himself said that the proceeds of the town duty were not earmarked for any specific purpose, but only formed part of the general revenue of the Municipality. As regards my Committee's suggestion that in view of the fact that the municipal revenues are augmented by nearly Rs. 15 lakhs per annum owing to the imposition of the cotton cess the chawls might be given a special concession of at least 50% in municipal taxes, Government point out that the municipal taxes are imposed in accordance with the City of Bombay Municipal Act and the concession could not be granted without amending the Act. My Committee, however, desire to point out that the requisite amendment in the Municipal Act can be made without much difficulty and they desire to commend their suggestion once again to Government, as acceptance thereof will reduce the running expenses on the chawls.

5. My Committee are pleased to note that the recommendation made by the Tariff Board in para 66 of their report is being considered by Government, but they regret that although more than four months have elapsed, Government do not appear to have come to any definite decision in regard to this very important recommendation. The Board's suggestion that the town duty on cotton should be reduced to 8 annas per bale, at least so far as the cotton consumed by mills is concerned, is one that, in the opinion of my Committee, should be given effect to without undue delay, and my Committee trust Government will be pleased to take the earliest opportunity to amend the Bombay Municipal Act on the lines suggested by the Tariff Board. Although, in my Committee's opinion, the help recommended by the Tariff Board in this connection is inadequate, my Committee would welcome the proposed reduction as a preliminary step towards the eventual abolition of the town duty, which the circumstances of the case imperatively demand.—I have, etc.,

T. MALONEY,
Secretary.

No. 141/2 (S.D.)

DEVELOPMENT DEPARTMENT,
BOMBAY, 16*th December*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Industrial Housing Scheme.—Report of the Special Advisory Committee on the—*

I am directed to acknowledge the receipt of your letter No. 1863/66, dated the 11th October 1927, in which your Committee has submitted further remarks on the report of the Special Advisory Committee on the Industrial Housing Scheme.

2. In paragraph 2 of your letter under reply, your Committee have asked two questions, the first being "Why the facts in regard to the increased cost per tenement, which must have been known to Government before even the first chawl was completed, were not made known to the Advisory Committee, the Legislative Council, and the public at an earlier date" The Government of Bombay have endeavoured to satisfy your Committee on this point in the earlier correspondence, and I am to invite attention, in particular, to paragraph 2 of Government letter No. 127/(S.D.), dated the 16th November 1926. It is impracticable for the Government of Bombay, at this date, to explain the matter in greater detail than has been done, and all they can add to their earlier information are some broad considerations. It is important to bear in mind the circumstances of the time when the Industrial Housing Scheme was launched. The basic fact on which action was taken was the then shortage of housing accommodation in the city of Bombay, a shortage admitted by responsible persons in all quarters. That single circumstance rendered it impossible for Government entirely to suspend the launching of the scheme immediately one of the financial factors showed an

important variation. It is not a fact that the enhanced cost of the scheme did not receive the earliest and most careful consideration; but if your Committee will reflect on the difficulties and the rapidly changing circumstances of the years following 1919, they may be disposed to accept the contention of the Government of Bombay that the Government of these years could not easily arrive rapidly at final conclusions. If the housing shortage of 1919 had persisted along with the concurrent circumstances, it might have been necessary to carry out the whole programme of housing with added financial assistance. One other circumstance, which was of importance at the time, was the fact that, even as late as 1922, the Advisory Committee, who were consulted on the point, agreed to a rental at Rs. 10 per tenement, instead of the rent of Rs. 5 which was contemplated when the scheme was first prepared. The prospect of obtaining a higher rental was one offset to the increased cost of construction. It is true that there was some doubt as to whether the labouring classes would pay the rent. But there appears to have been a consensus of opinion that even if these classes did not, other classes of tenants would do so most willingly and might even pay more, thus setting free other accommodation for the labouring classes and relieving the general congestion. The criticism now levelled against the Government of 1920 to 1922 is that they were too optimistic. But, in view of the experience outside Government administration, for example, in industry and commerce, it is difficult to assert that other conclusions and other lines of action were clearly indicated by the circumstances of these years.

3. The second question asked in paragraph 2 of your letter under reply, is—"Why the scheme was not abandoned at an earlier date, *i.e.*, before 17,000 rooms had been completed." This was explained in paragraph 2 of Development Directorate letter No. 53/(D.D.), dated the 8th January 1926, in which your Committee was informed that it was not considered advisable to retract any further from the commitments in respect of the 211 chawls, owing to the heavy compensation which would otherwise have been demanded by the contractors.

4. In paragraph 3 of your letter, your Committee has asked to be furnished with details regarding the expenditure incurred on suburban development to enable them to go fully into this matter. The Advisory Committee, on which your Association is represented, is now investigating the position of the suburban schemes and Government do not consider it advisable, in these circumstances, to deal at length with their financial position in this letter. The essential information is contained in the capital and revenue accounts of the Department. I am to enclose a copy of the accounts for the year 1925-26* and to state that a copy of the accounts for the year 1926-27, which are now being printed, will be forwarded to your Association, when they are available.

5. In paragraph 4 of your letter, your Committee suggest that the statement of Government that they have no reason to doubt that the Municipality's share of the receipts has been, and is being, utilised for the purposes for which it is assigned, has been made through some misconception, since in reply to an inquiry made in October 1925, the Municipal Commissioner himself said that the proceeds of the town duty were not earmarked for any specific purpose, but only formed part of the general revenue of the Municipality. The Municipal Commissioner's statement does not indicate any misconception by Government. It is not in accordance with good public finance that any particular parts of revenues should be specifically earmarked for definite purposes. But the adoption of this principle in their accounts does not mean that the Municipality are not incurring expenditure on the development of the city commensurate with their share of the receipts from the town duty on raw cotton. As regards the concluding portion of paragraph 4 of your letter, I am to say that Government do not consider that it discloses any fair ground on which they can approach the Municipality for a special concession regarding the municipal taxes on the Development Department chawls.

6. With reference to the last paragraph of your letter and the suggestion of the Tariff Board in paragraph 66 of their report that a refund of a part of the town duty on raw cotton should be made to the mills on proof of consumption, I am to express regret that Government are not yet in a position to announce their decision.—I have, etc.,

R. D. BELL,
Secretary to the Government of Bombay.

* Not printed.

APPENDIX 21.

DELEGATION FROM THE INTERNATIONAL FEDERATION OF TEXTILE LABOUR UNIONS.

Extract from the "Industrial and Labour Information" dated 22nd August 1927—Page 239.

Conditions in the Indian Textile Industry.

A British Trade Union Report.

The United Textile Factory Workers' Association of Great Britain recently published the report of an investigation made on behalf of the Association by Mr. J. Hindle and Mr. M. Brothers, who were appointed to visit India in 1926. The report contains the following passages :—

General Conditions.—Taken as a whole, the mills in India compare favourably as regards building construction, modern machinery, and up-to-date labour-saving devices with the mills in Lancashire. Eighty per cent. of textile operatives are men or boys. Women as a rule are only employed as reelers and winders.

Four times the number of operatives per loom or spindle are employed in mills in India than are necessary in Lancashire. The Indian textile operative lacks the skill, stability and stamina of our work-people.

Hours of Labour.—The textile mills have a sixty-hour working week of ten hours per day for six days. A few work eleven and twelve hours per day, but they are only a small percentage and do not materially alter the above statement. Although the engines run ten hours per day, the operative does not work continually the whole of the day, time being allowed for prayers, bathing, smoking, etc. It is questionable if more than eight hours' productive labour is obtained from the individual operative. In order that the spindles and looms may be kept running the management must employ extra labour.

One of the first things to arrest our attention was the large number of people squatting in the mill yard and standing about inside the mill, apparently having no particular machine under their supervision.

Average Wages for Month of 26 Days.

	£	s.	d.
Mixing and blowing room	2	0	9
Strippers and grinders	2	5	0
Cardroom frame tenters.	2	8	0
Ring spinners	2	0	9
Mule spinning (one minder, six piecers and two creelers to pair of mules)—			
Minder	3	7	6
Piecers	2	0	9
Creelers	1	10	0

The system of recruiting labour lends itself to many abuses, and operatives have often to pay bribes to obtain or retain their employment. Ninety per cent. of operatives are in debt to money-lenders who charge interest at the rate of from 150 to 300 per cent. per annum. Most of the essentials of life are purchased on credit system at enhanced prices. The wages are, as a rule, paid monthly, and fourteen days' wages are kept in hand. Wages paid weekly would do much to break down money-lenders and credit storekeepers.

Fining is excessive. In some cases the whole of the work-people are subject to fines, even though they have produced good cloth ; in other cases cloth examiners depend upon money received as fines for their wages.

Housing—Eighty per cent. of textile operatives in Bombay live in chawls of various types. Mostly 10 feet by 10 feet. Rents vary from 4*s.* 6*d.* to 7*s.* 6*d.* per month. In densely populated areas bad lighting, bad sanitation and overcrowding is the rule. The very best chawls, considered from English standards, are bad and undesirable; others are dungeons in squalid surroundings. It makes one shudder to think what would happen in case of small-pox or other infectious diseases.

To fully understand the conditions, personal inspection is necessary. *Bustees* are small gipsy-like dwellings, built of mud, bamboo canes and other materials, and are in many cases owned by the occupier. There are no sanitary arrangements, and these huts would disgrace the wigwam of a North American Indian.

The houses owned by mills are better and cheaper than those that are owned by private individuals. The Government of Bombay built tenement blocks with rooms 12 feet by 12 feet for the working classes, and charge an uneconomic rent. Out of 16,000 rooms, 11,000 are unoccupied. In order to build these blocks, a tax of 1*s.* 6*d.* per bale of cotton is imposed. One shilling and sixpence per 1,000 gallons of water must be paid by mills in Bombay for all water used in mills or houses.

If it were not for the glorious sunshine provided by nature, and which the natives do all in their power to shut out of their hovels, the sickness and death-rate would be appalling. Fortunately the children can leave the dark alleys to play in the full rays of the sun.

Workers do not take advantage of the improved conditions. In spite of dirt and discomfort, the poorer people prefer to live in privately-owned dwellings. They claim they have more freedom and independence. In the Government chawls and those owned by mills there is more supervision, and tenants are not allowed to take in lodgers.

Due regard must be paid to the customs of the people in their native villages previous to their immigration to the textile districts.

Welfare Work.—Most mills undertake welfare work and provide houses at nominal rent for their lowest paid workers. A few provide houses for the whole of their work-people, medical attention being free to the workers and their families. In some mills there are hospitals, creches and schools. The amount of welfare work done depends on the outlook of the management. Many managers are of the opinion that it is a sound business proposition to care for the health of their operatives, the cost being recovered by the increased efficiency due to improvement in the health and intelligence of their work-people.

Family Life.—In many Hindu families the whole of the members (including married sons) hand over their earnings to the father, who assumes responsibility for the maintenance of all his household. By this system the cost of living is reduced, and none of the family are allowed to starve.

Trade Unions.—Many of the Trade Unions were established in or since 1918, the principal incentive being that the cost of living increased in greater ratio than wages. Wages and cost of living having somewhat adjusted themselves, Trade Unionism is not at the moment making progress, and is at a very low ebb. Their work is more political and social than industrial. We did not find any textile Trade Union that was managed and controlled by the operatives. The lack of education of the worker prevents him from taking responsible positions in his Trade Union.

Politicians and social reformers take interest in and control the Unions ; often to the detriment of the worker. The workers are split in factions, and we often found two rival Unions purporting to represent the workers of the same trade in the same city. It is only fair to state that there are many public-spirited men giving valuable services without any ulterior motive.

The Indian workers have no National Unemployment or Health Insurance Acts.

A Workmen's Compensation Act became operative in 1924. Trade union officials advise and act on behalf of members for the purpose of securing compensation. There are

no Minimum Wage Acts or standard lists, nor are there any agreements between employers' and employees' associations. Recently, the Trade Union Act has been placed upon the Statute Book. By this Act, trade unions are for the first time recognized as within the law.

Competition.—There is little direct competition between Manchester and India, but the rivalry of Japan is severe.

Japan has an undue advantage due to the fact that her cotton mills run 22 hours per day. Under this arrangement less capital is necessary, and overhead charges are considerably reduced.

If and when the Washington Convention Agreement to work 48 hours per week is ratified, Lancashire will be in a position to compete with Japan on more equal terms.

Summary of lecture given by Mr. Brothers (a member of the Shaw Deputation) to the Blackburn Textile Society.

INDIA'S COTTON PRODUCTION.

Costs and Conditions.

No great advantage over Lancashire.

Experience while investigating conditions in textile mills in India formed the subject of a lecture given to the Blackburn Textile Society by Mr. Michael Brothers, Secretary of the local Cardroom Association, Mr. Brothers pointed out that there were in India to-day 300 mills spinning average counts under 20's, and 370,000 people engaged in the power-loom weaving and spinning industries in addition to 2,000,000 hand-loom weavers. There were 9,000,000 spindles (chiefly ring) in India, against 60,000,000 in Lancashire.

"Therefore," said the speaker, "India's competition when regarded from the actual number of spindles and looms, is not as great as some people would make out." The cost of production of grey cloth there was equal to, if not more than, that in Lancashire, for while individual wages were lower than here, they were collectively higher. "Where they have a distinct advantage, in my opinion," declared Mr. Brothers, "is that the manufacturing firms in India are their own bleachers and dyers. The Indian mills, however, are at a disadvantage in that they have to buy their cotton for the full year and have not the benefit of 'futures." They have always a lot of capital sunk in stocks of coal, cotton, and stores. In addition, it takes four times the number of operatives to run the same machinery as in Lancashire. The cost by wages, therefore, is equal, if not more than here."

Erroneous ideas of Profits.

On the subject of mill finance, Mr. Brothers said some mills were over-capitalized, and the idea of their great profits was sometimes erroneous. They had often the same trouble as the mills in Lancashire. The hours of work were 60 a week, and 80 per cent. of the work-people were males, who were often absent from work for feast days or prayers, or through communal riots. Many people had small plots of land, and left the mills at harvest time. He did not consider that the work people would be physically strong enough or sufficiently well educated, for a great number of years, to acquire technical education and become skilled operatives. Less than 3 per cent. received any form of education. The mills did a great deal of welfare work which added considerably to the costs of production.

Commenting on the figures showing the imports into India from Japan and Lancashire, Mr. Brothers said he believed Japan had an undue advantage, because their cotton mills ran 22 hours a day and so considerably reduced their overhead charges. "I think," he concluded, "there is a need for more understanding between Lancashire manufacturers and Indian merchants. I believe it will be to the advantage of the large firms, or groups, or employers' associations to have their own representatives in Calcutta and Bombay, for the purpose of giving general advice as to the requirements, etc., of those places. Taking everything into consideration I don't think there need be undue alarm in regard to Indian competition. There should be no fear for the future of the Lancashire textile trade. Lancashire can successfully compete with other places, and will retain her position as the premier cloth-producing centre of the world."

APPENDIX 22.

VENTILATION AND HUMIDIFICATION IN COTTON MILLS.

No. 1399 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, *5th May*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SUBJECT:—*Ventilation and Humidification in Cotton Mills.*

SIR,

I have the honour to state that standards of humidification have recently been adopted in cotton mills.

2. As you are aware, the question of atmospheric standards in cotton mills has been considered by the Government of India after the issue of a special report by their Adviser on Humidification. Several bodies, notably the Millowners' Association, Bombay, and the Chamber of Commerce, Bombay, expressed the view that it would be premature to adopt the standard recommended by the Adviser, *viz.*, a wet kata cooling power of 11, until further experimental work was undertaken and until millowners had had an opportunity of experimenting with the instrument. (Please see in this connection para 7 of your letter No. 1270/89 dated 15th September 1924 to the Secretary to Government, General Department).

3. The Government of India have decided that further experimental work and experience with the kata thermometer is necessary, but in the interim, standards of humidification have been introduced by the Local Government. I have to submit a report on these standards together with the result of the experimental work by the middle of August.

4. I am asking the managers of mills to forward me direct copies of humidity records maintained by them and an analysis will be made in this office. The Factory Department has started with the assistance of managers, a number of experiments in mills but it is extremely important that your Association should give its considered opinion on the kata standard in August.

5. It is clear that a kata standard of 11 can be attained if expensive cooling and humidification plant is installed, but the kata standard may also in certain cases be reached if means are adopted to increase air movement inside the departments.

Various devices have been suggested. In weaving sheds flaps on the heald rollers will often enable a purely local cooling power of 11 to be reached. My experience has been that the weavers object to these on account of interference with their work but it is desirable that further experience should be gained before this method is discarded as unsuitable in weaving sheds. Another method proposed is to fit paddles to line shafts. In this connection I am ascertaining the effect on kata cooling powers with paddles of varying sizes at varying speeds and at varying distances from line shafts but their application in mills is limited and in certain cases it would be extremely dangerous to apply them.

6. A further method is to fit a small punkah to the loom rail and drive it off the loom shaft through the warp. This has received an extensive trial in at least one mill in Bombay with rather disappointing results. On the other hand, Ahmedabad experience is in the opposite direction and weavers there are asking for loom fans. This punkah is shaped like the ordinary electric fan and is mounted on an old ring spindle clamped to the loom rail. It is driven by tubular banding from the bare loom shaft on to the spindle warve.

The shape and position of this punkah may leave something to be desired but it offers distinct possibilities from the point of view of cooling power.

7. I am indebted to Mr. Taylor of the Finlay Mills for the development of another type of fan for looms. This fan is mounted on bearings carried on two brackets bolted to the loom rail and is driven from a small wooden pulley fixed on the loom shaft. Four rectangular blades are secured to the fan shaft which is parallel to the rail. This fan seems to be better than the other one and it is desirable to try it out on looms. An expanded metal guard is provided, and a sample fan may be seen at my office.

8. One mill in Bombay has fitted a pair of oscillating electric fans in the weaving shed and the effect both on cooling power and production is being watched. This of course is an expensive method of improving cooling powers but detailed results are being obtained in this mill.

9. I request therefore that your Association specially examine the effect of the means suggested or other devices that may be adopted both from the point of view of cooling power and manufacturing difficulties.

Messrs. Lawrence and Mayo, Hornby Road, Bombay, stock kata thermometers and if any manager requires information as to the use of the instrument or any other assistance in the tests I shall be pleased if he will inform me.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories.

No. 807/102 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *11th May*, 1927.

THE CHIEF INSPECTOR OF FACTORIES,
BOMBAY PRESIDENCY, BOMBAY.

SIR,

I have the honour to acknowledge receipt of your letter No. 1399, dated 5th May 1927, and to state that it has been duly considered by the Technical Advisory Sub-Committee of the Association. Without prejudice to their freedom of action in the future in this matter I am desired to inform you that Mr. H. H. Lakin of Messrs. W. H. Brady & Co., Mr. D. F. Batliwala of Messrs. Nowrosji Wadia & Sons and Mr. F. Stones of Messrs. E. D. Sassoon & Co. have consented to undertake experiments similar to those indicated in your letter and to have observations made of the effect upon the kata cooling power of their weaving shed. It is recommended that you get in touch with each of these gentlemen personally and explain in detail the exact nature of the experiments and observations you wish to have made. It is also requested that any conclusions or recommendations which you may make as a result of these experiments should be submitted for the consideration of my Committee before being made public. If it can be so arranged, my Committee would also like to be supplied with exact details as to the experiments being made in each mill, and a copy of the observations recorded from time to time. If you could supply the manager of each mill concerned with a copy of Report 37 of the Industrial Fatigue Research Board it would probably prove helpful and ensure their interested co-operation. It is extremely likely that Mr. S. D. Saklatvala of Messrs. Tata Sons would also be interested in any experiments which you wish to have made and it is recommended that you should call upon him. If, as has been stated, the Finlay Mills and the Century Mills are already collecting data of experiments which have been or are being conducted with the object of increasing cooling powers, my Committee would like to receive detailed records of their observations and of the apparatus used. —I have, etc.,

T. MALONEY,
Secretary.

No. 1594 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, *27th May*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Ventilation and Humidification in Cotton Mills.*

REFERENCE :—*Your letter No.* 807/102 *of* 11*th May* 1927.

With reference to your above letter, I have the honour to state that the first three gentlemen mentioned have been interviewed.

2. Mr. Lakin has agreed to install a pair of electric gyro fans and also to experiment with loom punkahs and possibly heald flaps; Mr. Stones, who has already started experimental work with electric fans, has also agreed to fit loom punkahs and also to provide heald flaps in a number of Messrs. E. D. Sassoon & Co.'s mills. Mr. Batliwalla is also providing loom punkahs on several looms. I intend seeing Mr. S. D. Saklatwala of Messrs. Tata & Sons shortly.

3. I have no hesitation in supplying the results of all the experimental work undertaken by the Factory Department in continuation of or in supplement to the Adviser's report on humidification provided individual millowners and managers have no objection. Difficulty on this score is, however, not generally anticipated. It will be almost impossible to forward the results as they are being taken. I shall, however, subject to there being no objections, be in a position about the middle of July to supply information on the following :—

(*a*) relation between paddle size, speed of rotation and kata cooling power ;

(*b*) cooling powers on looms with heald flaps together with the result of experience with them in Bombay and Ahmedabad ;

(*c*) experience with and kata cooling powers of the different types of loom punkahs in Bombay and Ahmedabad ;

(*d*) three monthly records of temperatures from a Sholapur weaving shed in 1926 and 1927 to show the differences due to efficient room spraying ;

(*e*) a systematic test on consecutive stop days this year in this mill to measure the effect of efficient roof spraying on cooling powers, outside and inside dry and wet bulb temperatures will also be recorded ;

(*f*) the results of several tests after the installation of cooling plants in mills in Sholapur and Ahmedabad ;

(*g*) comparative cooling power tests on weaving sheds in Ahmedabad with and without gutter fans working ;

(*h*) effect of gutter cooling in different parts of an Ahmedabad weaving shed partly provided with the gutter system.

(*i*) comparison between wet kata readings recorded in an Ahmedabad mill last year and this year after the provision of extraction fans and the induction of air through the humidifier sprays;

(*j*) comparison between wet kata readings in this mill and another in Ahmedabad provided with a combined ventilated, humidifying and cooling plant;

(*k*) comparison between wet kata readings in Bombay in a weaving shed where cooled air has been introduced by fans, with those recorded or reported by the Adviser on Humidification a few years ago. Readings are being taken for a month thrice daily in four positions;

(*l*) effect of extraction fans on cooling powers;

(*m*) effect of electric fans in Bombay weaving sheds on kata cooling powers and if possible on production. The cost will probably also be estimated.

It is thought that the foregoing data, together with the work previously done both in India and in England, will enable your Committee to arrive at a decision on the kata standard but if your Committee have any further proposals to make, I shall be pleased if you will communicate them.

4. Possibly it would be mutually advantageous if I could meet your Technical Committee shortly after the results have been sent to you, but this may be settled later.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories.

No. 2371 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, *3rd August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Ventilation and Humidification in Cotton Mills.*

In continuation of my letter No. 1594, dated 27th May, 1927, I have the honour to forward herewith information under the several heads mentioned.

2. (*a*) *Relation between paddle size, speed of rotation and kata cooling power*:—A chart* is forwarded herewith showing the variation in the wet kata cooling power at different distances from a shaft rotated at different speeds on which paddles of varying size were mounted. The readings were taken at approximately 5 feet from the ground in each case and were recorded in the spinning room of the Victoria Jubilee Technical Institute where atmospheric conditions were approximately the same as in a mill.

(*b*) *Heald roller flaps*:—The Manchester Mill fitted a number of flaps to the heald rollers and measured kata readings over a period of six days. The results were as follows:—

Time.	Average kata cooling power.		Remarks.
	With roller flaps.	Without roller flaps.	
10 a.m.	11.2	8.1	Each result is average of 72 readings dated 26th May to 1st June.
4 a.m.	10.3	7.5	

* Not printed.

Other results, Premier Mill.—2'-6" ×6" flaps on the heald rollers of wide blanket looms. Kata reading weavers chest level 15.4. On adjacent loom without flaps cooling power was 8.5. In a hotter portion of shed the corresponding readings were 13.2 and 8.2. Date 13-5-1927. Time 10 a.m.

Crescent.—Average cooling power with flaps 13·5 compared with 8·3 without flaps.

Finlay Mill specially provided 150 flaps to heald rollers of looms but only 6 are now in use.

Weavers in some cases fit a light flap to the heald roller in the hot weather. On the other hand, a number of weavers object to their application on account of interference with their work. The only really successful experiment with heald roller flaps has been in the Premier Mill. This mill has slow running wide blanket looms with high heald rollers and most looms in this mill are now provided with flaps.

(*c*) Two types of loom punkahs have been tried: (1) a cheap propeller type with blades made out of sheet tin soldered to an old ring spindle and mounted in various positions on the loom.

The manager of the Union Mill introduced this fan some years ago but his experience with it has not been encouraging and no weaver has asked for a fan which he is ready to provide. On the other hand, Ahmedabad weavers have, on their own initiative, made cheap copies of the sample fans introduced there. In four mills 66 looms were provided with such fans. The Inspector was directed not to press or interfere in any way and after a month the number in use was 114.

In Bombay, the manager of the Textile Mill has tried out several of these fans and he considers that they are an effective and cheap way of improving conditions. A number of weavers in his mill have asked for their provision. The following results may be taken as fairly typical of a number of wet kata readings recorded from time to time with these fans in this mill :—

Without fan	Cooling power = 8.3	Textile Mill, Bombay.
With fan at 400 revolutions per minute ..	Cooling power =13.3	
With fan at 800 revolutions per minute ..	Cooling power =14.5	

In Ahmedabad, cooling powers were increased from 6.0 to 12.7 in one weaving shed, from 5.2 to 10.5 in a second, from 5.0 to 11.0 in a third, from 4.1 to 9.0 in a fourth. These propeller fans are driven in several ways and are clapped in various positions. They give good local cooling powers. One fan will suffice for two looms and may be provided at a cost of 1 rupee per loom.

(2) *Paddle type of fan.*—The Manager of a Bombay mill preferred this type to the propeller type and fitted several looms with them. The drive was through the warp from the loom shaft and after preliminary experiments to ascertain the best position for the fan which was mounted in bearings bolted to brackets bolted at the back of the loom rail, a cooling power of 16.2 at weaver's head level was obtained as compared with a departmental cooling power of 8.0. In the Premier Mill a departmental cooling power of 7.9 was increased to 12.4. Twenty-eight such fans have been provided in the former mill. The Textile Mill clamped one of these fans above the loom rail, mounted it in ball bearings and drove it from the line shaft. At 750 revolutions a cooling power of 19.9 was obtained in front of the loom, 12.4 at the back, and 7.5 between the next pair of looms as compared with a departmental cooling power of 6.0. In an Ahmedabad mill, cooling powers of 6.0 were locally increased to 11.8 by a small paddle fan at 360 revolutions per minute. The cost of an efficient fan of this type would, on a mass production scale, be about Rs. 7 each. One fan would be required per 2 looms.

(*d*) A Sholapur weaving shed was equipped with an effective roof-spraying system in 1926. The manager of this mill has for years carefully recorded temperature and humidity readings. The results for three months of 1926 and 1927 with the roof spraying in operation in the latter year are as follows :—

Month.	Without spray (1926).		With spray (1927).	
	External temperature.	Internal temperature.	External temperature.	Internal temperature.
February	88	85	86	80
March	94	87	96	83.5
April	96.5	89.5	101	85.5

Temperatures were hourly recorded in four different positions of the shed throughout the month. After allowing for the difference in external temperatures, these results show that roof spraying reduced the internal temperature in a weaving shed in Sholapur by 3° in February, 5.5° in March and 8.5° in April. These results may be compared with those recorded in Maloney's report, page 78, where, in Ahmedabad, roof spraying reduced the temperature in a weaving shed by 5.5° in May at 11 a.m. and by 7.0° in the afternoon. An attempt to further investigate the effect of roof spraying in Ahmedabad was frustrated by the weavers who objected to the spray being turned off.

(*e*) *Effect of roof spraying in a Sholapur mill on wet kata cooling powers*.—The manager of the mill kindly agreed to obtain wet kata cooling powers in his weaving shed on two consecutive stop days, on one of which the spray was worked, with the following results:

	Internal kata.	Outside hygrometer.		Inside hygrometer.	
		Dry	Wet	Dry	Wet
May 22nd (Spray working)	9.39	103	76.5	86.5	76
June 1st (Spray stopped)	7.75	100	80	89	80

There was very little wind on May 22nd but June 1st was cloudy and windy and not so hot. Had the external conditions been the same the improvement in the kata reading would have been slightly more ; but in this shed the effect of roof spraying increased the kata reading from 7.75 to 9.39, *i.e.*, practically 20%. Kata readings were taken in four positions of the shed during each hour of the day and the above results are thus the average of 40 readings. Inside wet and dry bulb readings are the average of 40 readings while the outside readings are the average of 10 hourly readings. Machinery was stopped on both days. In this connection attention is invited to the results recorded by Watt in his "Fan Ventilation in a Humid Weaving Shed" (1st part Table II, page 8, Report 37 of Industrial Fatigue Research Board).

Thus at 80.8° dry bulb and 76.0° wet bulb with 76.8% humidity the average wet kata reading of a number of observations was 12.3. With practically the same percentage humidity (74.4) but with a dry bulb of 83.4 and a wet bulb of 78.0, the average kata was

reduced to 10.9. Thus at these weaving shed temperatures a reduction of 2.6° in the dry bulb reading improved the kata reading from 10.9 to 12.3. Temperatures in Indian weaving sheds are higher than these, but from English observations and the result in the Sholapur weaving shed, it is clear that the spraying of weaving shed roofs will result in a considerably reduced temperature and a consequent improvement in the wet kata reading. Other things being equal, the reduction in dry bulb temperature will result in a higher relative humidity in the shed which is essential for manufacturing purposes. Maloney, page 79 of his Report on Humidification, found that roof spraying in Ahmedabad improved the kata reading from 3.7 to 10.2 but could not attribute the whole of the increase to roof spraying.

(*f*) *Kata cooling powers after the installation of cooling plants in mills*.—In 1924 a Sholapur mill equipped its spinning department with a plant capable of dealing with a large volume of air which was cooled down to outside wet bulb temperature before admission into the mill. Comparative results are recorded in the following table which also shows results recorded in a second Sholapur mill in 1927 together with those obtained in an Ahmedabad mill recently.

Date.	Maximum temperature		Average % humidity		Kata cooling powers.		Remarks.
	Plant working	Plant stopped.	Plant working	Plant stopped.	Plant working	Plant stopped.	
6-4-25	87.0	..	61	..	18.3	..	Kata and humidity readings are average of hourly readings.
7-4-25	..	105.5	..	33	..	11.8	
1926	..	107	..	38.5	..	8.2	
17-5-27	85	..	53.5	..	13.4	..	Sholapur spinning mill average spinning room temperatures recorded by Government observers in 1915 throughout May was 103°.
16-4-27	..	95	..	51	..	10.1	Ahmedabad weaving mill.
20-4-27	80	..	78.3	..	14.3	..	Humidities taken from 2 hygrometers, thrice a day. Kata readings taken in 7 positions thrice a day, 3 readings at each time *i.e.*, kata cooling power is average of 63 readings.
21-4-27	80.5	..	80.3	..	15.6	..	

(*g*) & (*h*). An Ahmedabad weaving shed decided to install 5 gutters with a spray chamber for each and a fan to distribute the cooled air in the shed. The gutters have been well designed and each fan deals with approximately 10,000 cubic feet of air per minute, effecting about 10 air changes per hour.

The following results were recorded :—

Date.	Time.	Kata readings.		Remarks.
		Position.		
		A Between 2 completed gutters.	B Remote part of shed.	
17-5-27	10-12	6.95	5.55	Two gutters only completed on A side.
„	3-5	8.35	6.4	Kata readings average of 28.

Average kata between the gutters on this day was 7.65 as compared with 6.0 in rest of shed.

5 gutters completed.

Date.	Wet kata.	
	A	B
14-6-17 2-30 to 3-30	8.4	8.3

Check Readings—Two fans A side worked, others stopped.

Results :—A – 7.9, B – 7.8.

Two fans worked on B side, others stopped.

Results :—A – 6.2, B – 7.8.

Three fans A side stopped.

Results :—A – 6.15, B – 8.5.

These results may be compared with kata cooling powers of below 3 formerly recorded in this shed which was one of the worst in Ahmedabad. Considerable improvements have been effected by adopting the gutter system with inlet fans and spray chambers for cooling the air.

The manager of this mill was asked to supply efficiency figures to ascertain the effect of considerably improved working conditions on outturn. He was unable to supply the variations in efficiency as calculated in a number of weaving sheds, but supplied figures shewing the average yardage produced on each day in three weaving sheds which were working on the same average yarn and size in 1926 and 1927. In addition, the average picks per $\frac{1}{4}$" inch was supplied for each day. An average has been ascertained of the average yardage × by average picks per $\frac{1}{4}$" throughout the month. The results are as follows :—

1926	Shed I	Shed II	Shed III
March	599	570	626
April	605	568	636
May	563	523	578
June	558	525	579
Total ..	2,325	2,186	2,419

1927	Shed I	Shed II	Shed III
March	592	584	594
April	644	604	633
May	609	549	609
June	587	548	582
Total ..	2,432	2,285	2,418

Shed I was provided with fans and spray chambers in the gutters before the hot weather. In 1926 production was inferior to shed III whereas in 1927 it was superior. The increased production in shed I in 1927 over 1926, *viz.*, $\frac{(2432-2325)}{2325} \times 100$, represents an increase of 4·6%. The agent was impressed with the results and is equipping a second weaving shed with fans and spray chambers giving an air change of 15 per hour and is considering applying this system to all his weaving sheds.

(*j*) The following comparative results were obtained in two Ahmedabad mills, one (A) provided with a self-contained cooling plant, the other (B) provided with extraction fans with induced air through the hydrosophore jets.

Date	Time.	Average cooling power. A	Average cooling power B	Remarks.	Outside Hygrometer.	
					Dry.	Wet.
21-4-27	Throughout the day.	15.6	11.5	A results are average of 63 readings. B results average of 12 readings.		Highest outside bulb during day=72°.
20-4-27	Do.	14.3	10.5			
20-6-27	9-30 to 11	10.4	6.55	Monsoonish conditions.	84	80
24-5-27	11 to 2	8.4	5.9		100.5	81

(*k*) The average wet kata readings recorded in a Bombay weaving shed in June and July 1927 after the provision of inlet fans and spray chambers are set forth in the attached tables which also show those recorded by the Adviser on Humidification some years ago.

Wet and dry bulb readings are also included.

——	First reading.	Second reading.	Third reading.	First reading.		Second reading.		Third reading.	
				Hygrometer.		Hygrometer.		Hygrometer.	
				Dry.	Wet.	Dry.	Wet.	Dry.	Wet.
June 1927	8.1	7.5	7.2	84.9	82.4	88.2	84.6	90.1	85.4
July 1927	9.0	8.4	7.7	....	....	....	....	....	....
June 1922	9.7	8.6	8.3	83.9	80.8	91.6	84.6	91.6	84.4
July 1922	10.9	9.7	9.7	81.9	79.0	88.1	82.4	88.4	82.5

(*l*) *Effect of extraction fans on cooling power* :—In an Ahmedabad mill a test on cooling powers at varying horizontal distances from an extraction fan gave the following results :

Distance from fan in feet.	Wet kata cooling power.		Remarks.
	Fan working	Fan stopped	
5 ..	7.0	6.7	Hygrometer 88, 85. Kata cooling powers are the average of 4 readings.
10 ..	6.9	6.8	
15 ..	7.0	6.8	
20 ..	7.3	7.0	
25 ..	7.0	7.0	
30 ..	7.0	6.8	

The extraction fan was one of seven in the weaving shed 17'-8" from the floor level, 2' diameter, speed 1,000 revolutions per minute.

This fan would extract approximately 5,000 cubic feet of air per minute. The test was made under ordinary loom shed working conditions. Localised air movement will of course affect the readings but it will be seen that after making due allowance for this the effect of extraction fans on departmental cooling powers is very small.

This of course may be expected from pure theory and has been confirmed by practical observations in England. In a "Physiological Study of the Ventilation and Heating in certain Factories" (Report No. 35 of the Industrial Fatigue Research Board), it is stated on page 9, "In our experience the effect of artificial extraction on the mean velocity of the air currents in the work-rooms is negligibly small at all times."

(*m*) With the assistance of F. Stones, Esquire, of Messrs. E. D. Sassoon & Company, experiments were conducted to ascertain the possibilities of electric fans in weaving sheds. At the same time the effect of improved working conditions on production was ascertained. A pair of gyro electric fans were mounted at a height of 7'-6" in the alley-way of a weaving shed. The fans were similar to those which formed the basis of the Industrial Fatigue Research Board's investigation in England. Continuous kata readings were taken in the morning and afternoon of two hot weather days and check readings taken between looms outside the influence of the fans.

X	X	X	X	X	X	X	X
D	C	Fans	B	A	E	F	G	H
X	X	X	X	X	X	X	X

Under influence of fans.

Time.	Date.	Hygrometer		Kata average of B & C	Kata average of A & D	Remarks.
		Dry.	Wet.			
10 to 12	23-5-27	91.5	81.5	13.0	11.1	Average is of 16 readings.
3 to 5	24-5-27	94.5	82.0	12.7	10.2	

Looms outside influence of fans.

Time.	Date.	Hygrometer		Kata average of F & G	Kata average of E & H	Remarks.
		Dry.	Wet.			
10 to 12	23-5-27	91.5	81.5	8.6	8.8	Average is of 16 readings.
3 to 5	24-5-27	94.5	82.0	8.0	8.3	

Between 10 to 12 shed wet kata reading may be taken as mean of E, F, G and H, *i.e.* 8.7. The electric fans in positions B and C increased this to 13.0 and at A and D to 11.1. Between 3 and 5 mean kata is 8.15, fans at B and C increased this to 12.7 and at A and D to 10.2. The positions were chosen in the hottest portion of the shed and were taken in the hottest part of the year. It will be seen that one fan will barely enable a kata of 11 to be reached on four looms. On this basis Messrs. E. D. Sassoon & Co. have estimated the cost of equipping a 1,000-loom weaving shed to be approximately Rs. 30,000, while the running cost, allowing for depreciation and repairs, would be approximately Rs. 9,700 per year. The main item in this charge is for depreciation at 25%, but considering the type of fans available and the conditions under which they are run, this is not thought to be excessive although it would doubtless be possible to design an electric fan to give better results in this direction. If a whole shed was equipped with electric fans probably one fan would serve 5 to 6 looms but even at one fan per 6 looms, the cost would be very heavy.

Production tests.—As far as possible all the conditions as regards yarn supply, class of cloth, etc., were kept identical and the production of the two weavers (1 weaver to 4 looms) was compared with two weavers outside the fans' influence.

Results :—

	Weavers.	Particulars *re.* fan.	Average production per loom.	Total production.	Hygrometer Average.	
					Dry.	Wet.
1st week ..	A & B	Fan on	62 yds. 12 ins.		89.3	80.3
Do. ..	C & D	No fan	58 yds. 13 ins.			
3rd week ..	A & B	No fan	55 yds. 26 ins.		90.5	83.0
Do. ..	C & D	No fan	56 yds. 18 ins.			
2nd week ..	A & B	Fan 3 days on		1,430 yds. 30 ins.	89.6	81.0
Do. ..	,,	Fan 3 days off		1,335 yds. 29 ins.		

In this test without the fans, A and B weavers gave 28" of cloth less per loom than C and D while with the fans they gave 4 yards 8 inches per loom per day more. During 3 days A and B weavers gave 95 yards 1 inch more on 8 looms with the fan on as compared with the fan off. The above test was repeated with the weavers changed but the results were conflicting. It is realized that the tests to be of any value must be made over a long period and these are in progress.

3. As you are aware, the Adviser on Humidification proposed a wet kata cooling standard of 11 in humid factories but suggested an intermediate advance by the adoption of a standard of humidification. This standard has been adopted by the Local Government in rules published under Government Notification, General Department No. 4824-D, dated the 19th March 1927, and I hope shortly to be in a position to forward you an analysis of the extent to which mills in Bombay have complied with the rules. I think it will be mutually advantageous if I could meet your Technical Sub-Committee to discuss the points raised and I shall be pleased if your Committee will suggest an early date.

The Collector of Bombay will shortly address the Millowners' Associations with respect to the kata standard and other recommendations of the Adviser on Humidification.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories,
Bombay Presidency.

GENERAL DEPARTMENT,
BOMBAY CASTLE, *19th March*, 1927.

No. 4824-D.—In exercise of the powers conferred by clause (*g*) of sub-section (2) of Section 37 of the Indian Factories Act, 1911 (XII of 1911), the Governor in Council is pleased to amend the Factories (Amended) Rules, Bombay, 1923, published in Government notification, General Department, No. 2343-B., dated the 1st July 1923, as follows, namely :—

(1) To Rule 2 of the said rules the following clauses shall be added, namely :—

(*f*) Artificial humidification means humidification of the air of a room by any artificial means whatsoever except the use of gas or oil for lighting purposes, or the unavoidable escape of steam or water vapour into the atmosphere directly due to the treatment of fibre by water or steam in its passage through a machine.

Provided that the introduction of air directly from outside through moistened mats or screens placed in ventilation openings at times when the temperature of the room is 80 degrees or more, shall not be deemed to be artificial humidification.

(*g*) Hygrometer means an accurate wet and dry bulb hygrometer conforming to the prescribed conditions as regards construction and maintenance.

(*h*) Degrees (of temperature) mean degrees of the Fahrenheit scale.

(2) After Rule 20 of the said rules the following rules shall be inserted, namely :—

20A. There shall be no artificial humidification in any room of a cotton spinning or weaving factory

(*a*) at any time when the wet bulb reading of the hygrometer is higher than that specified in the following schedule in relation to the dry bulb reading of the hygrometer at that time ; or, as regards a dry bulb reading intermediate between any two dry bulb readings indicated consecutively in the schedule when the dry bulb reading does not exceed the wet bulb reading to the extent indicated in relation to the lower of those two dry bulb readings :—

Schedule.

Dry bulb	Wet bulb	Dry bulb	Wet bulb
60.0	58.0	90.0	84.5
61.0	59.0	91.0	85.0
62.0	60.0	92.0	85.5
63.0	61.0	93.0	86.0
64.0	62.0	94.0	86.5
65.0	63.0	95.0	87.0
66.0	64.0	96.0	87.5
67.0	65.0	97.0	88.0
68.0	66.0	98.0	88.5
69.0	67.0	99.0	89.0
70.0	68.0	100.0	89.5
71.0	69.0	101.0	90.0
72.0	70.0	102.0	90.0
73.0	71.0	103.0	90.5
74.0	72.0	104.0	90.5
75.0	73.0	105.0	91.0
76.0	74.0	106.0	91.0
77.0	75.0	107.0	91.5
78.0	76.0	108.0	91.5
79.0	77.0	109.0	92.0
80.0	78.0	110.0	92.0
81.0	79.0	111.0	92.5
82.0	80.0	112.0	92.5
83.0	80.5	113.0	93.0
84.0	81.0	114.0	93.0
85.0	82.0	115.0	93.5
86.0	82.5	116.0	93.5
87.0	83.0	117.0	94.0
88.0	83.5	118.0	94.0
89.0	84.0	119.0	94.5
		120.0	95.0

Provided however that this Rule shall not apply when the difference between the wet bulb temperature as indicated by the hygrometer in the department concerned, and the wet bulb temperature taken with a hygrometer outside in the shade is less than 3.5 degrees.

20B. In all departments of cotton spinning and weaving mills wherein artificial humidification is adopted, hygrometers shall be provided and maintained in such positions as are approved by the Inspector. The number of hygrometers shall be regulated according to the following scale :—

(*a*) *Weaving Department.*—One hygrometer for departments with less than 500 looms, and one additional hygrometer for every 500 or part of 500 looms in excess of 500.

(*b*) *Other Departments.*—One hygrometer for each room of less than 300,000 cubic feet capacity, and one extra hygrometer for each 200,000 cubic feet, or part thereof, in excess of this.

Provided also that one hygrometer shall be provided and maintained outside each cotton spinning and weaving factory wherein artificial humidification is adopted, and in a position approved by the Inspector, for taking hygrometer shade readings.

20C. When satisfied that the limits of humidity allowed by the Schedule to Rule 20A are never exceeded, the Inspector may, for any department other than the weaving department, grant exeption from the maintenance of the hygrometer. The Inspector shall record such exemption in form J.

20D. A legible copy of the Schedule to Rule 20A shall be affixed near each hygrometer.

20E. At each hygrometer maintained in accordance with Rule 20B correct wet and dry bulb temperatures shall be recorded thrice daily during each working day by competent persons nominated by the Manager and approved by the Inspector.—The temperatures shall be taken between 7 a.m. and 9 a.m., between 11 a.m. and 2 p.m. (but not in the rest interval), and between 4 p.m. and 5-30 p.m. In exceptional circumstances, such additional readings and between such hours as the Inspector may specify, shall be taken. The temperatures shall be entered in a Humidity Register in Form G-1 maintained in the factory. At the end of each month the persons who have taken the readings shall sign the register and certify the correctness of the entries. The register shall always be available for inspection by the Inspector.

20F. (*a*) Each hygrometer shall comprise two mercurial thermometers respectively wet bulb and dry bulb of similar construction, and equal in dimensions, scale and divisions of scale. They shall be mounted on a frame with a suitable reservoir containing water.

(*b*) The wet bulb shall be closely covered with a single layer of muslin, kept wet by means of wick attached to it and dipping into the water in the reservoir. The muslin covering and the wick shall be suitable for the purpose, clean and free from size or grease.

(*c*) No part of the wet bulb shall be within 3 inches from the dry bulb or less than 1 inch from the surface of the water in the reservoir and the water reservoir shall be below it, on the side of it away from the dry bulb.

(*d*) The bulbs shall be spherical and of suitable dimensions and shall be freely exposed on all sides to the air of the room.

(*e*) The bores of the stems shall be such that the position of the top of the mercury column shall be readily distinguishable at a distance of 2 feet.

(*f*) Each thermometer shall be graduated so that accurate readings may be taken between 50 and 120 degrees.

(*g*) Every degree from 50 degrees up to 120 degrees shall be clearly marked by horizontal lines on the stem; each fifth and tenth degree shall be marked by longer marks than the intermediate degrees, and the temperature marked opposite each tenth degree, *i.e.*, 50, 60, 70, 80, 90, 100, 110 and 120.

(*h*) The markings as above shall be accurate, that is to say at no temperature between 50 and 120 degrees shall the indicated reading be in error by more than two-tenths of a degree.

(*i*) A distinctive number shall be indelibly marked upon the thermometer.

(*j*) The accuracy of each thermometer shall be certified by the National Physical Laboratory, London, or some competent authority appointed by the Chief Inspector of Factories and such certificate shall be attached to the Humidity Register.

20G. Each thermometer shall be maintained at all times during the period of employment in efficient working order, so as to give accurate indications and in particular :—

(*a*) The wick and the muslin covering of the wet bulb shall be renewed once a week.

(*b*) The reservoir shall be filled with water which shall be completely renewed once a day. The Chief Inspector of Factories may prescribe the use of distilled water or pure rain-water in any particular mill or mills in certain localities.

(*c*) No water shall be applied directly to the wick or covering during the period of employment.

20H. If an Inspector gives notice in writing that a thermometer is not accurate, it shall not, after one month from the date of such notice, be deemed to be accurate unless and until it has been re-examined as above, and a fresh certificate obtained which certificate shall be kept attached to the Humidity Register.

20I. No hygrometer shall be affixed to a wall, pillar or other surface unless protected therefrom by wood or other non-conducting material at least half an inch in thickness and distant at least one inch from the bulb of each thermometer.

20J. No readings shall be taken for record on any hygrometer within 15 minutes of the renewal of water in the reservoir.

(3) After form R appended to the said rules the following form shall be inserted, namely :—

FORM G-1.

HUMIDITY REGISTER.

Department :—

Hygrometer { distinctive mark or number.
position in department.

Date Year Month Day	Readings of Hygrometer.						If no humidity insert none.	Remarks.
	Between 7 and 9 a.m.		Between 11 a.m. and 2 p.m. (but not in the rest period)		Between 4 and 5-30 p.m.			
	Dry bulb	Wet bulb	Dry bulb	Wet bulb	Dry bulb	Wet bulb		
1st								
2nd								
3rd								
4th								
5th								
6th								
7th								
8th								
9th								
10th								
11th								
12th								
13th								
14th								
15th								
16th								
17th								
18th								
19th								
20th								
21st								
22nd								
23rd								
24th								
25th								
26th								
27th								
28th								
29th								
30th								
31st								

At the *beginning of the month* the Sundays, whole holidays, and in the shorter months the 31st or other excess days should be erased.

(Signed)

Certified that the above entries are correct.

(Signed)

By order of the Gpvernor in Council,

C. W. A. TURNER,

Secretary to Government.

No. F.I./8706 of 1927.

BOMBAY COLLECTOR'S OFFICE (FACTORY DEPARTMENT),
BOMBAY, *26th September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Ventilation and Humidification in Cotton Mills.*

I have the honour to state that the question of ventilation and humidification standards in cotton mills has been under consideration for a number of years and your Committee in their No. 1270/89, dated 15th September 1924, to the Secretary to Government, General Department, have already expressed their opinions on the Government of India letter dealing with the points raised by them on the report of their Adviser on Humidification.

2. The Government of India felt that further enquiries were necessary before a decision was made on what, at that time, was a new proposal, *viz.*, the adoption of an atmospheric standard based on the cooling power of the atmosphere as measured by the kata thermometer. As a certain measure of advance was desirable the Local Government adopted the humidity standard recommended by the Adviser. This standard, together with the rules respecting the maintenance of hygrometers and the record of the wet and dry bulb readings, have been in operation since 1st April 1927. From an analysis of the records obtained, it has been found that, apart from Ahmedabad, the mills have generally complied with the Humidity Schedule.

3. A considerable amount of experimental work has recently been undertaken either by the mills themselves or by the Factory Department with the assistance of mill agents and managers and I desire to express my thanks for the facilities granted. The results have been forwarded to you by the Chief Inspector of Factories in his No. 2371, dated 3rd August 1927. He has also recently discussed them with your Technical Committee.

4. As you are aware, the three factors influencing a kata reading are temperature, humidity and air movement. The latter of course may be altered either by stirring up the departmental air, by producing currents of air by the provision of ordinary inlet or exhaust fans or by the admission of air after being cooled down by evaporative cooling to an approximation to the outside wet bulb temperature. The following conclusions appear capable of being drawn :—

(*a*) A considerable improvement in existing conditions, particularly in weaving sheds, may be made by the adoption of somewhat simple devices, *e.g.*, shaft paddles, heald roller flaps or various types of fans but it would not be practical to fix a kata standard on these means alone. It is desirable, however, that their use should be encouraged as far as possible. A kata standard could, however, be fixed on air movement alone provided electric fans were adopted. The cost of installation of these would, however, be comparable with the cost of what must be considered the ideal solution, *viz.*, the adoption of ventilating systems that provide a rapid renewal of the air in the department and at the same time cooling and purifying it;

(*b*) the provision of exhaust or inlet fans in departments has little material effect on the kata reading;

(*c*) the adoption of plants for humidifying and cooling the air, before admission to departments, particularly in hot and dry climates like Ahmedabad and Sholapur, would enable a kata standard to be fixed in mills. The cost of the plant would

be a heavy one in each case. The general adoption of the duct or gutter system with inlet fans and efficient spray chambers would, however, effect material improvements; and particularly, in these centres;

(*d*) the roof spraying of mills in hot centres effects a considerable improvement both from the point of view of the resulting reduction in internal temperature and also from the improvement in the kata reading.

5. The Government of India desire that the considered views of the Local Government on the kata standard and the humidity rules already introduced should be forwarded to them by the 31st October and I shall be pleased, therefore, if your Committee will forward their views as early as possible. It is needless to add that they will be forwarded to Government with my report.

6. The questions that arise are:—

(*a*) whether the kata thermometer, integrating as it does the effect of temperature, humidity, and air movement, all of which separately have an effect on comfort, should be accepted as the best means of ascertaining and estimating comfortable conditions in factories;

(*b*) if so, whether a wet kata standard of 11, as recommended, should be adopted immediately or after a definite period;

(*c*) if not, whether a lower standard should be adopted. In this connection it may be pointed out that several mills have made considerable improvements in their systems of ventilation and alterations are contemplated by others which will probably not attain the proposed standard of 11. If an intermediate lower standard is adopted it will often mean an alteration or additions to installed plant to reach the proposed standard, which it is considered should be the ultimate aim. If the standard of 11 is not fixed, a lower standard may hinder the development of contemplated improvements;

(*d*) in the event of a kata standard not being adopted, whether advance should be made by means of a Humidity Schedule together with the grant of powers to the Inspector to order, subject to appeal, measures to ensure a reduction of temperatures.

7. Taking the textile industry as a whole, it has been found that the mills in all the centres of the Presidency, save Ahmedabad, have generally complied with the present schedule. Strong representations have been received from Ahmedabad for a modification in the present Humidity Schedule. The difficulty of compliance has been attributed both to climatic and manufacturing difficulties, but mills at this centre have made few attempts to overcome the climatic disabilities of that centre. It is felt, therefore, that provided a kata standard is not adopted an Inspector should be given powers to deal with these conditions as, even at Ahmedabad, the mills show a considerable variation in the degree of compliance with the present schedule.

8. As an alternative, therefore, to the kata standard, it is proposed in addition to a humidity standard, to recommend the grant of powers to Inspectors to order measures for the reduction of temperatures which will only operate after outside shade temperatures exceed a figure to be fixed by the Local Government. The Inspector's order, it is intended, will be subject to appeal. It is felt that the safeguard of appeal together with the strength of the Employers' Associations will prevent any abuse of power. In the event, therefore, of a kata standard not being adopted, I shall be pleased if your Committee will support this proposal.—I have, etc.,

G. A. THOMAS,
Collector of Bombay.

No. 1966/102 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *20th October*, 1927.

THE COLLECTOR OF BOMBAY,
BOMBAY COLLECTOR'S OFFICE (FACTORY DEPT.), BOMBAY.

SIR,

SUBJECT :—*Ventilation and Humidification in cotton mills.*

I am directed to acknowledge the receipt of your letter F.I./8706 dated 26th September 1927.

2. The letter recounts briefly the history of the investigations which have been made during the last few years in this country in regard to ventilation, the opinions expressed by the Association in 1924, on Mr. Maloney's report on ventilation and humidification, the degree to which cotton mills in this Presidency have complied with the Humidity Schedule which was adopted as from 1st April 1927, and the results of experiments which have recently been made in cotton mills with the object of ascertaining the advisability of adopting a ventilation standard based on the cooling power of the atmosphere as measured by the Kata thermometer.

3. In the light of these investigations, observations and experiments, the local Government desire the views of the Association on the kata standard and the humidity rules already introduced. Subject to the observations made in the Association's letter dated 15th September 1924 to the Secretary to the Government of Bombay, General Department, "that a standard based on cooling power should not be introduced for the textile industry unless a similar standard was enforced in other industries at the same time," my Committee desire to submit their considered replies to the questions enumerated in paragraph 6 of your letter :—

6 (*a*) The cooling power of the atmosphere as measured by the wet kata thermometer at head level constitutes the best means of ascertaining and estimating the comfort of working conditions in textile and other factories generally. At the same time my Committee wish to point out that in particular cases where the purity of air is affected either by injurious dust or poisonous fumes a kata reading does not constitute an adequate measure of either the confort or safety of atmospheric conditions.

6 (*b*) The results of the experiments which have recently been made in the textile and other factories in Bombay indicate that a Kata standard of 11 as recommended by the Adviser on Humidification is rather in the nature of an ultimate ideal to be aimed at than a practical proposition. Even in Bombay where very considerable improvements have been made during recent years, a cooling power of 11 as measured by the wet kata is seldom attained throughout the year. It would seem possible by adopting certain of the devices described in Mr. Maloney's report, and the letter of the Chief Inspector of Factories No. 2371 dated 3rd August 1927, to increase slightly the cooling power of the air in certain departments of textile mills at a comparatively small cost, and my Committee are prepared to recommend that all members of the Association should devote greater attention to the problem of increasing localised air movement wherever possible with the object of increasing kata cooling powers, when this can be done at a small cost. In this connection, however, it should be pointed out that the experiments which have been made with fans and heald paddles in weaving sheds have not always met with the approval of the workpeople themselves, and, for this reason, the Association is unable to give an unqualified undertaking that additional "cooling devices" will be adopted in the weaving sheds of all factories belonging to members of the Association. In the opinion of my Committee the adoption of a wet kata standard of 11 in all factories in either the immediate or near future, is ruled out of court owing to the very heavy costs which would be entailed.

6 (*c*) The objections to a kata standard of a lower value than 11 as stated in your letter are, firstly, that even a lower standard would necessitate expensive alterations and additions to ventilating plants in many factories and, secondly, that a standard lower than 11 might hinder the development of contemplated improvements in certain establishments.

Under these circumstances, my Committee hold that for the present no kata standard should be enforced, but cotton mills which maintain a wet kata cooling power of 10 to 11 throughout the year might be excused from compliance with the Humidity Schedule now in force. This latter concession would undoubtedly help forward the experimental work which has recently been started with the object of increasing kata cooling powers, and thus increase the possibility of enforcing a kata standard in the future.

6 (*d*). Sub-para 6 (*d*) of your letter has been read in conjunction with paragraphs 7 and 8. My Committee are somewhat reluctant to express an opinion upon this point, but they are inclined to agree with the views expressed by the Chief Inspector of Factories at the conference held recently to discuss the results of the experiments which have been made in textile mills during this year, and the degree of compliance with the requirements of the existing Humidity Schedule. The results of the observations made show that the great bulk of Ahmedabad mills have failed to comply with the existing Humidity Schedule. In Bombay City and Island mills the degree of compliance appears to have been satisfactory except during the monsoon, and there appears to be no demand for a relaxation of the schedule in this centre. Non-compliance in Ahmedabad has been attributed by the mills to climatic and manufacturing difficulties, but the Chief Inspector holds that few real attempts have been made to overcome climatic disabilities and a comparison with what has been accomplished in Sholapur and Nagpur where climatic conditions are somewhat similar gives a certain amount of weight to the Chief Inspector's view; but, on the other hand, it must be recognized that Ahmedabad mills have special manufacturing difficulties when producing heavily sized goods.

4. The solution proposed in your letter, in reality, amounts to a suggestion that a special Humidity Schedule should be allowed in the case of Ahmedabad, and that in addition powers should be given to Inspectors to order measures for the reduction of temperatures after outside temperatures exceed a figure to be fixed by the Local Government and indicates a *via media* which seems reasonable and might appeal to the Ahmedabad Millowners' Association. My Committee, however, cannot endorse the principle of giving such wide powers to all Factory Inspectors as are proposed, even though the orders of the Inspector would be subject to appeal. They would, however, be prepared to agree to the grant of special powers to the Chief Inspector of Factories to order roof spraying in the case of mills which consistently infringe the Humidity Schedule (when the outside temperature exceeds 95° F). The results of the experiments which have been made do not, in the opinion of my Committee, call for the grant of wider powers than this. The efficacy of roof spraying in the case of shed buildings when the outside temperature is higher than 90°F is undoubted, and a roof-spraying plant is not expensive to install. The report of the Adviser on Humidification gives some idea as to its value and how it is appreciated by the work-people who in the hot weather object even to a temporary stoppage of roof spraying for experimental purposes. The benefits of roof white washing and other measures which can be taken for temperature reduction, apart of course from the installation of new and expensive cooling and ventilating plants are not always very great and my Committee consider that it would be most unwise to give wider powers to Factory Inspectors in this matter than those indicated above. With reference to the matter of relaxing the existing Humidity Schedule the number of infractions in Ahmedabad make it appear that the schedule should be slightly relaxed, temporarily, at the lower end of the scale on the distinct understanding that roof spraying should be adopted where considered necessary by the Chief Inspector of Factories; that further efforts be made by the mills themselves to raise the cooling powers by increased air movements, and that all reasonable measures be taken to reduce temperatures as far as possible.

5. In conclusion, my Committee desire to assure the Government of Bombay that they will always receive the closest co-operation and help of the members of this Association in any reasonable measures which may be suggested for the amelioration of working conditions in textile factories and will be pleased to afford the requisite facilities for the continuation of any further experimental work with this object in view.—I have, etc.,

T. MALONEY,
Secretary.

No. F.I./9961 of 1927.

BOMBAY COLLECTOR'S OFFICE,
BOMBAY, 31*st October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SUBJECT :—*Ventilation and Humidification in cotton mills.*
REFERENCE:—*Your letter No.* 1966/102 *of 20th October*, 1927.

SIR,

I have to acknowledge the receipt of your letter No. 1966/102 of 20th October, 1927, on the subject noted above.—Yours, etc.,

G. A. THOMAS,
Collector of Bombay.

APPENDIX 23.

RULES UNDER THE INDIAN FACTORIES ACT—AMENDMENT.

No. 1348-141 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *28th July*, 1927.

To

ALL MEMBERS OF
THE BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

I am directed to give below for your information and guidance a copy of Government Notification No. 2343 (a)/D, dated 15th July 1927 regarding certain amendments in the Rules under the Indian Factories Act.—Yours, etc.,

T. MALONEY,
Secretary.

No. 2343 (a) D.—In exercise of the powers conferred by clause (*k*) of sub-section (2) of Section 37 of the Indian Factories Act, 1911 (XII of 1911), the Governor in Council is pleased to further amend the Factories (Amended) Rules, Bombay 1923, published in Government Notification in the General Department No. 2343-D, dated the 1st July 1923, as follows, namely :—

(1) After Rule 64 of the said rules the following new rule shall be inserted, namely :—

"64A. Notice of accidents occurring in a Factory not causing death or injury, whereby the person injured is prevented from returning to his work in the factory during the 48 hours next after the occurrence of the accident, but due to any cause which has been notified in the *Bombay Government Gazette* in this behalf by the Local Government, shall be sent in Form K to—

(*a*) The Inspector of Factories, Ahmedabad, in case of all factories situated in Sind and in the districts of Ahmedabad, Kaira, Panch Mahals, Broach and Surat and in the Nawapur Taluka of the West Khandesh District, and

(*b*) the Chief Inspector of Factories, Old Custom House, Bombay, in all other cases,

by *registered post* within one hour of the occurrence, or the accident shall be reported by telegraph, telephone, or by special messenger within the same period. If the notice is sent by special messenger, it shall be in Form K and if it is sent by telegraph or telephone, it shall be confirmed by a written report in that form.

NOTE.—The following causes have been notified in Government Notification in the General Department No. 2343 (b)/D, dated the 15th July 1927, at page 1775 of the *Bombay Government Gazette*, dated 21st July, in this behalf :—

(*a*) Structural collapse.

(*b*) The breaking of any rope, chain or other appliance used in raising or lowering persons or goods by the aid of mechanical or electrical power, and

(*c*) Fires in cotton openers in cotton pressing factories."

2. For Form K appended to the said Rules, the following form shall be substituted, namely :—

FORM K.

REPORT OF ACCIDENTS.

Required under Indian Factories Act and Factory Rules 60-64*A*.

Not to be filled up by the management.
- District.
- Date of Receipt.
- Accident No.
- Classification, i.e., fatal, serious or minor.
- Date of Enquiry
- Result of Enquiry.

1. Name of Occupier.
2. Address of Works.
3. Nature of Industry.
4. Branch or Department in which accident occurred.
5. (*a*) Was injury caused to any person ?
   (*b*) If so, the injured person's
   Name.
   Address.
   Sex Age Caste

*6. Usual occupation of injured person.

7. Date and hour of accident.
8. Hour at which he started work on day of accident.
9. Cause of Accident (*a*) (*a*)
   If caused by machinery give :—
   (*b*) Name of machine and part causing accident. (*b*)
   (*c*) State whether it was moved by mechanical power at the time (*c*)
   *(*d*) State exactly what injured person was doing at the time (*d*)

*10. Describe fully nature and extent of injuries, *e.g.*, fatal, loss of finger, etc.

*11. If accident not fatal state whether injured person was disabled for 48 hours (*see* Section 34 of Act XII of 1911).

12. Has duplicate copy of this return been kept ?

*13. Under whose treatment is injured person ?

Signature of Occupier, Manager or Agent.

Date.

**Note*:—Not to be used when no injury has been caused to any person.

No. 2343(b)/D.—In exercise of the powers conferred by Section 34 of the Indian Factories Act, 1911 (XII of 1911), the Governor in Council is pleased to notify the marginally noted causes as causes accidents due to which occurring in factories on or after the 1st of April 1927 must be reported to the prescribed authority in accordance with Rule 64-A.—By order, etc.,

(*a*) Structural collapse,
(*b*) The breaking of any rope, chain or other applicance used in raising or lowering persons or goods by the aid of mechanical or electrical power, or
(*c*) Fires in cotton openers in cotton pressing factories.

C. W. A. TURNER,
Secretary to Government.

APPENDIX 24.

ACCIDENTS IN CARD ROOMS.

No. 959 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, *24th March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Accidents.*

I have the honour to state that an analysis of the carding accidents that have occurred in the Bombay mills in 1925 and 1926 has been recently made. The figures are as follows:—

1925.

	Fatal.	Serious.	Minor.	Total.
Driving Straps and Pulleys	4	1	6	11
Other Straps and Pulleys	1	2	10	13
Card Cylinders	1	6	4	11
Doffer Cylinder	0	1	1	2
Taker-in	1	9	1	11
Miscellaneous	1	6	11	18
Grand Total ..	8	25	33	66

1926.

	Fatal.	Serious.	Minor.	Total.
Driving Straps and Pulleys	1	5	10	16
Other Straps and Pulleys	0	6	6	12
Card Cylinder	0	9	2	11
Doffer Cylinder	0	6	3	9
Taker-in	0	16	4	20
Miscellaneous	0	10	15	25
Grand Total ..	1	52	40	93

2. In the above classification, serious accidents have been considered as involving loss of a limb or absence from duty for 21 days or more ; but in most of the serious accidents, permanent disablement has resulted. The carding engine is at present the most dangerous machine in the textile industry in Bombay when the serious nature of the accidents usually caused is considered with the total number of accidents occurring.

3. It will be noticed that a number of accidents occur at the licker-in, and a fairly high proportion of these are due to operatives getting their hands caught in cleaning the grids or removing cotton from underneath. Card cylinders are responsible for a number of serious accidents.

4. Carding accidents may be reduced in two ways: (*a*) by improved safeguarding, (*b*) by educative efforts on safety-first lines. With respect to (*a*) it is admitted that, except for the card cylinder, carding engines are efficiently protected but although Factory Inspectors have been for a considerable time advocating the provision of automatic locking motions on the cylinder doors, very little real headway has been made. Several mills have however provided automatic locks and these mills rarely, if ever, have accidents at the cylinder. In this connection, agreements in England in 1911 and 1912 between employers, operatives and Factory Inspectors included the provision of automatic locking motions on the cylinder doors.

5. It is considered, therefore, that the time has come when the cylinder doors on cards should be provided with automatic locks and I shall be pleased if your Committee will agree to recommend this to the members of your Association.

6. Under (*b*) a number of accidents, especially those under the licker-in, are usually due to the ignorance of the workpeople. The ordinary card-room hand is probably more ignorant and less receptive to instruction than the operatives in other departments. But, I think, if safety-first posters are adopted they would be educative and also serve as a warning.

7. With a view to lessen the number of accidents in railway workshops, chiefly of a minor nature and not due to machinery, I interviewed officials of the two Railway Companies in Bombay and although they did not hold, in the present state of illiteracy in India, that there was much scope for a safety first movement as conducted on English or American lines, they agreed with me that attractive posters would be of real value. I enclose accordingly four posters that have recently been prepared for railway engineering workshops and it is thought that somewhat similar posters would reduce accidents in the card room. I have been fortunate in enlisting the services of an artist-lithographer and the posters have been prepared from actual photographs. The cost of the four posters and a few hundred copies came to Rs. 600 (which the Railway Companies readily paid), a sum which would be at once recovered by the Insurance Association if only one or two accidents were prevented.

8. Probably the Millowners' Mutual Insurance Association would, if the Millowners' Association recommend it, meet the cost of preparing the posters, and I request that a recommendation to them be made. If either the Millowners' Association or the Millowners' Mutual Insurance Association will meet the cost, I will arrange for the actual production of the posters from actual working photographs. Three posters, one for cylinders, one for licker-in and one for belts may in the first instance be prepared. In the railway posters suitable vernacular captions have also been prepared.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories.

No. 915/110 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 31*st May*, 1927.

THE CHIEF INSPECTOR OF FACTORIES,
BOMBAY PRESIDENCY, BOMBAY.

SIR,

SUBJECT :—*Accidents.*

I have the honour to acknowledge receipt of your letter of the 24th March 1927.

2. The suggestions made by you for minimising the accidents occurring in the card room have been very carefully considered by my Committee.

3. As regards your suggestion for the provision of automatic locking motions on the cylinder doors, my Committee much regret they cannot see their way to recommend members to give effect to your suggestion as far as the old carding machines are concerned. The cost of providing automatic locking motions on existing cards would be very heavy, and, in the present unfortunate state of the industry, my Committee do not feel that the expenditure would be justified. In the case of new cards being ordered out from England, it will be recommended that locking motions on cylinder doors should be insisted on. I am to add that my Committee trust that they will be able to meet your suggestions more fully regarding old cards when the industry is in a more flourishing state.

4. The suggestion regarding pictorial posters has the cordial approval of my Committee, and they are of opinion that it would be advisable for the Millowners' Mutual Insurance Association, Limited, to give effect to the suggestion.

Extracts from your letter on this point are being forwarded to the "Mutual" with my Committee's strong recommendation to them to adopt the suggestion.—I have, etc.,

T. MALONEY,
Secretary.

No. 906/110 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 31*st May* 1927.

TO ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

The Chief Inspector of Factories has addressed a letter to the Association drawing attention to the number of accidents occurring in the card room and urging that cylinder doors on cards should be provided with automatic locking motions to reduce the number of accidents.

The Committee have informed the Chief Inspector that in the case of new cards being ordered out from England, they will recommend members to provide for automatic locking motions on cylinder doors, but in view of the heavy cost they cannot recommend the adoption of this course in the case of existing cards.

It is hoped members will kindly comply with the suggestion made by the Chief Inspector whenever they have occasion to order new carding machines.—Yours, etc.,

T. MALONEY,
Secretary.

No. 909/110 of 1927.

THE MILLOWNERS' ASSOCIATION
BOMBAY, 31*st May*, 1927.

THE SECRETARY,
THE MILLOWNERS' MUTUAL INSURANCE ASSOCIATION, LTD., BOMBAY.

DEAR SIR,

The Chief Inspector of Factories, Bombay Presidency, has addressed a letter to the Association on the subject of accidents in card rooms, and in the course of his letter he recommends educative efforts on safety-first lines for minimising these accidents. Relevant portions of the Chief Inspector's letter* are forwarded herewith.

2. The suggestion made by the Chief Inspector for pictorial posters, etc., has my Committee's cordial approval, and they are of opinion that it would be very advisable for your Association to adopt the necessary measures for giving effect to this suggestion. They trust your Directors will take the same view, and, in that case, will you please communicate direct with the Chief Inspector ?—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 25.

TETANUS ACCIDENTS.

No. 2011 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, 1*st July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Tetanus Accidents.*

I have the honour to state that an examination of past accident records from mills with relation to deaths from tetanus pointed to a greater incidence amongst card-room hands than from others.

2. The Superintendent, J. J. Hospital, was interviewed in this connection and he has ordered that carding machine accident cases should invariably be given a prophylactic dose of anti-tetanic serum.

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* This letter has already been printed in full.

3. Recently a man who sustained a trivial accident between comb and doffer, was sent to the King Edward Memorial Hospital. The man returned to work after treatment and returned to hospital after a few days and died of tetanus. As several injured millhands have been sent to this hospital, I asked the Superintendent if he would follow the practice introduced in the J. J. Hospital. He has agreed, provided the mill authorities send a note with the man stating that he is employed in the card department.

4. Will you please therefore inform the managers of the mills of the facilities that have been arranged in the two hospitals and request them to arrange for a letter to be sent with each man injured at the cylinder, doffer or licker-in or stripper of carding machines.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories.

No. 1323/132 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *25th July*, 1927.

THE CHIEF INSPECTOR OF FACTORIES,
BOMBAY PRESIDENCY, BOMBAY.

SIR,

SUBJECT :—*Tetanus Accidents.*

I am directed to acknowledge receipt of your letter No. 2011, dated 1st July 1927, and to inform you that a copy has been sent to all members with a request to ask their mill-managers to comply with the suggestions made in your letter.—I have, etc.,

T. MALONEY,
Secretary.

No. 1322/132 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

TO ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

I am directed to forward you a *copy of a letter received from the Chief Inspector of Factories on the subject of treatment for accidents on carding machines.

I am to request you kindly to bring the contents of the letter to the notice of your mill-manager and ask him to comply with the instructions contained in the letter given below* from the Chief Inspector of Factories.—Yours, etc.,

T. MALONEY,
Secretary.

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* Already printed.

APPENDIX 26.

LOOM SHUTTLE GUARDS.

No. 458 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, *February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Loom Shuttle Guards.*

I have the honour to state that an enquiry has been made into the incidence of shuttle accidents on looms with respect to the type of guard used.

2. Practically all loom shuttle guards in the Bombay mills are either of the hook or bar type and approximately 90 per cent. of the accidents due to flying shuttles are caused on looms fitted with the hook type of guard. This type is not satisfactory as the hooks get bent and work loose and fall out and in some cases the workers remove them and take them away for their own use. Also the spacing of the hooks often leaves much to be desired.

3. The incidence of accidents may be illustrated from the following examples :—

Mill.	Type of guard.	Particulars of accidents.
A ..	All rods	No serious accident in 12 years.
B ..	All rods	No serious accident in 12 years.
C ..	1,187 rods, 68 hooks ..	No serious accident in 7 years.
D ..	All hooks	3 accidents in 1926.
E ..	541 rods, 677 hooks ..	7 accidents in 1926, all hooks.
F ..	Practically all hooks ..	16 accidents in 1926 with hooks.

4. It may however, be stated that in some mills where special attention is paid to the spacing of, and the careful replacement of hooks, accidents are not as numerous as in others where the looms are fitted with this type of guard. There is, however, little doubt that the advantages, both from the point of view of accident prevention and also in the cost of maintenance, are in favour of the bar type of loom guard.

5. I request, therefore, that your Committee be asked to consider the question of loom shuttle guards. The gradual replacement of the hook for the bar type appears desirable and I shall be pleased if your Committee will recommend this course to the members of your Association.

6. The bar type of guard should be of at least 3/8″ iron, securely bolted to the sley, with intermediate brackets on the broad looms. The guards should be fitted so that they extend to at least half the shuttle's length from the spindle stud bolt. A space of not less than 5/8″ should be allowed between the temple and the guard.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories.

No. 409/62 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *22nd February*, 1927.

THE CHIEF INSPECTOR OF FACTORIES,
BOMBAY PRESIDENCY, BOMBAY.

SIR,

SUBJECT :—*Loom Shuttle Guards.*

I have the honour to acknowledge receipt of your letter No. 458 of 1927, urging the advisability of replacing gradually the hook type of loom shuttle by the bar type.

2. The Committee of this Association, after due consideration of the points raised in your letter, are prepared to recommend members of the Association gradually to replace hook guards by bar guards provided that the Factory Inspection Department agree not to pass orders for replacement where hook guards are at present used and maintained in efficient condition.—I have, etc.,

T. MALONEY,
Secretary.

No. 411/62 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd February*, 1927.

TO ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

I am directed to forward you herewith a copy of a letter* received from the Chief Inspector of Factories, urging the advisability of replacing gradually the hook type of loom shuttle guards by the bar type.

2. The Committee are in agreement with the conclusions reached by the Chief Inspector of Factories, but they are of opinion that replacement should not be ordered by the Factory Department when hook guards are being maintained in satisfactory condition. They have informed the Factory Inspector accordingly and trust members will kindly give effect to his recommendations whenever they find it necessary to install new shuttle guards. —Yours, etc.,

T. MALONEY,
Secretary.

No. 701 of 1927.

FACTORY INSPECTION OFFICE,
BOMBAY, *25th February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Loom Shuttle Guards.*

I have the honour to acknowledge receipt of your letter No. 409-62, dated 22nd February 1927, and to express my satisfaction that the Committee of your Association have agreed to recommend the gradual replacement of hook guards for the bar type.

2. Factory Inspectors will not pass any orders in the mills where the maintenance and spacing of hook guards have been proved to be a reasonable preventative against accidents.—I have, etc.,

T. W. JOHNSTONE,
Chief Inspector of Factories.

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* Already printed.

APPENDIX 27.

INTERNATIONAL ECONOMIC CONFERENCE.

No. G.-818 of 1927.

THE INDIAN MERCHANTS' CHAMBER,
BOMBAY, *21st/22nd April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am asked by the Committee of this Chamber to send to you herewith a copy of a representation they have addressed to the President and Officers of the International Economic Conference to be held at Geneva on the 4th May 1927.

This letter speaks for itself and my Committee trust that the Committee of your Association will be pleased to send a cablegram to the authorities of the Conference on the 3rd May at the latest so as to reach the Conference on the opening day, supporting the representation sent by my Committee.—Yours, etc.,

J. K. MEHTA,
Secretary.

Copy of letter No. G., dated 21st April 1927, addressed to the President and Officers of the International Economic Conference by the Secretary, Indian Merchants' Chamber, Bombay.

The Committee of the Indian Merchants' Chamber desire me to draw your attention to the unsatisfactory manner in which the Government of India have responded to the invitation of the League of Nations to send five non-official delegates to represent India at the forthcoming International Economic Conference.

In view of the importance of the number of subjects to be discussed by the International Economic Conference instructions issued to the members of the League state that—

> " the invitation to each State should be to send members up to a maximum of five. Experts might of course accompany them and also attend but would not have the right of speech or vote except with the special authorization of the Conference."

Such being the case it was hoped by the Indian public and commercial opinion that the Government of India would take the fullest possible advantage of these provisions. My Committee regret, however, to find that the Government have selected only three delegates instead of five delegates and even then the personnel selected by the Government of India does not carry out the requirements laid down by the Economic and Financial Section of the League of Nations, namely, that " the members should not be spokesmen of the official policy," i.e., that the Members should be non-officials, because my Committee find—and to this fact they draw the particular attention of the Conference—that one of the three delegates, Sir Campbell Rhodes, is an official, being a member of the Council of the Secretary of State for India in London—an official body, the members of which are paid servants of the Government. Moreover, Sir Campbell Rhodes is not an Indian and cannot therefore be expected to put before the Conference the Indian point of view upon the economic problems to be discussed by the Conference. It will be observed that the proper Indian representation at the Conference is thus reduced to less than half, consisting as it now does of only two Indian delegates as against the total of five delegates for India. The loss of India is, however, turned to the gain of England. The Englishman representing India naturally urges the English point of view and acts in concert with his English confreres, thus leading to over-representation of England at the Conference. Such disregard by the Government of India of the wishes of the Indian public as also of the rules laid down for various Conferences either by the Treaty of Versailles or by the League of Nations has now become chronic. My

Committee, therefore, protest strongly against such action, unfortunately not uncommon on the part of the Government of India when dealing with nominations to meetings held under the various bodies associated with the League of Nations. In the matter of these meetings the Government of India appear to make their selections more with a view to British interests than to the interests of India. Last year this Chamber had to protest against the nomination by the Government of India of a representative of British ship-owning interests to represent India at the 8th and 9th International Labour Conferences. The composition of the Indian delegation to the sittings of the League of Nations has so far never been satisfactory to Indian public opinion, as is shown by the Resolutions passed from time to time in the Indian Legislature against the present methods of the Government of India in making up the Indian delegation. The same indifference to Indian public opinion, as expressed in the Press and in the Legislature of India, is evident in the conduct of the Government of India in their selection this year of the Indian delegation to the International Economic Conference. Not only have they not sent the full quota demanded by the Indian public and allowed under the rules but one of the three members is a foreigner, as against the whole spirit of the League of Nations; he is also an official as against the definite rules laid down by the authorities for the selection of delegates to the International Economic Conference.

When my Committee came to know of the personnel selected by the Government of India, they sent the following message to the Government of India requesting them to make the delegation complete and fully representative of the interests of India and India alone :—

> " Committee Indian Merchants' Chamber understand that Government propose to nominate only three delegates to the International Economic Conference at Geneva next May instead of the full quota of five. A perusal of the items which are to come up for discussion at the said Conference shows there will be subjects of very far-reaching importance to India such as (1) liberty of trading including economic and fiscal treatment of foreigners and foreign companies; (2) indirect methods of protecting national commerce, and shipping including discriminating legislation; (3) international commercial treaties; (4) international agreement regarding national industries; (5) international collaboration in agriculture. The Committee submit that in several of these subjects the interests of India clash with the interests of Great Britain and in view of the dilatory policy of the Government till now, despite the agitation in India for more prompt action, the Committee feel that it is imperative that the Government should send representatives to the Conference who will be able to save India from being committed to a policy which may not meet the aspirations of India. On this, amongst other grounds, the Committee most emphatically urge that the full quota of delegates be sent to this Conference and that the personnel of this should be selected in a manner which will ensure confidence in the personnel from the Indian public. In view of the Assembly sitting at present, the Committee suggest that the leaders of the Indian parties in the Assembly should be consulted by the Government without delay. Should Government overlook this suggestion, it is apprehended that the Indian public may have to bring it to the notice of the Conference that despite requests of this nature the Government have deliberately preferred or selected to act in a manner which will prevent Indian opinion from being fully ventilated at the International Economic Conference."

We understand that similar representations have been made to the Government of India by other commercial bodies in India. Yet the Government of India have not seen their way to meet the wishes of the people of India, which we trust are also shared by the authorities of the International Economic Conference, viz., that each State should select from among its nationals the full quota of the number of delegates allowed to it.

The Government of India having thus not paid any heed to our demands, the only course left open to us is to bring to the knowledge of the authorities of the International Economic Conference the facts of the case in the hope that the Conference will express its opinion in this regard in such unmistakable terms that at least in cases that might arise in future the Government of India will act in a way that will accord with the wishes of the people of India and the rules framed by the League of Nations.

APPENDIX 28.

INTERNATIONAL LABOUR CONFERENCE—TENTH SESSION.—REPORT BY MR. G. D. BIRLA.

BENARES, *12th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am sending you herewith a report of my work at the International Labour Conference, Geneva, which I attended in the capacity of Employers' delegate from India.

I draw your special attention to the concluding portion of my speech at the Conference ; and while doing so may tell you that there was all-round satisfaction this year at the fact of India's employers being represented by one of her own nationals. All those with whom I came in contact expressed the hope that the practice would be continued as any departure from it only made the representation unreal, and detracted from the value of the Conference. The matter is important, and we must all see to it that our wishes are not ignored. Both so far as the delegate and his advisers are concerned, the most essential thing is the unanimity with which we make our recommendations and I have no doubt that all our organizations will in future speak on the subject with one voice. I am sure it will be impossible for the Government to ignore organized Indian opinion expressed with complete unanimity regarding the nomination of our representatives.

I shall thank you if you will kindly circulate my report together with this letter to the members of your Association.—Yours, etc.,

G. D. BIRLA.

Report by Mr. G. D. Birla, Employers' Delegate at the International Labour Conference, Geneva.

GENEVA CONFERENCE.

The Tenth International Labour Conference was in session from the 25th May to 16th June 1927. The items placed on the agenda by the Governing Body were :—

1. Sickness insurance.
2. Freedom of association.
3. Minimum wage fixing machinery in trades in which organization of employers and workers is defective and where wages are exceptionally low, with special reference to the home working trade.

Of these only sickness insurance was tabled for final decision. Under the new double discussion procedure the next two items were placed only on the agenda with a view to discussion of the draft questionnaire which the Conference desired to circulate.

In all 43 States were represented and the total number of persons taking part in the Conference was announced to be 322. Of these the number of delegates apart from substitute delegates was 145, while that of technical advisers was 159. Each of the members is entitled, under Article 389 of the Peace Treaty, to send four representatives, two of whom shall be Government and the other two employers' and employees' delegates respectively ; and in this sense only 30 States sent complete delegations. India was one of these and yet in one respect its delegation was sadly incomplete. Article 389 provides that " each delegate may be accompanied by advisers who shall not exceed two in number for each item on the agenda of the meeting." The number of items on this year's agenda was three, though

only one, that of sickness insurance, was meant for final decision. I might have been given, under the circumstances, six technical advisers, but in fact, I had not one. As far back as 1919 the handicap was felt by the employers' delegate from India. Sir Alexander Murray, writing on the subject in 1921, said, " Mr. Chatterjee acted in conjunction with Mr. Kershaw (now both Sir) on the various Committees on which India was represented by a Government delegate, while Mr. Joshi had Mr. Wadia to officiate for him. The employers' delegate from India had no advisers and the scope of his activities was limited accordingly. In addition to Committee meetings there were also daily meetings of the Employers' group at which matters of interest to employers were discussed in detail. In the circumstances it was impossible for me, acting alone, to find time to attend to various meetings and matters deserving the attention of the employers' delegate. I had, therefore, to depend to a considerable extent on fellow delegates or their advisers for information as to what was passing in the several Committees of which I was not a member. This was an unsatisfactory position to be in, and no doubt care will be taken to obviate this disadvantage at future Conferences." Things this year were as unsatisfactory and my experience was the same as that of Sir Alexander Murray.

The Indian Government delegation had two advisers and the Indian labour delegate had one. The only delegate without any adviser was myself. In this connection it may be pertinent to observe that the German employers' delegate had 6 advisers, the Belgian employers' delegate 3, the British employers' delegate 6, the French employers' delegate 3, the Italian employers' delegate 3 and the Japanese employers' delegate 3. Whether I was not seriously handicapped in the discharge of my duty by the absence of any adviser with me will be apparent on a consideration of the following facts :—

There were seven Committees, appointed by the Conference to consider or report on various matters, under Article 403. They were the Selection Committee, the Credentials Committee, the Committee on Standing Orders, the Committee on Sickness Insurance, the Committee on Freedom of Association, the Committee on Minimum Wages and the Committee on Article 408 of the Peace Treaty, though the last one was a technical Committee of 8 members which had submitted its report to the Governing Body before the deliberations of the Conference began. The Indian Government delegation was able to secure representation on three of the six Committees and the Indian labour delegation on two. I could serve only on one Committee which was the Committee on Sickness Insurance.

Some of these Committees had Sub-Committees which again held several sittings. The Committee on Sickness Insurance alone, on which I served, held 17 sittings. Besides these I had to attend the sittings of the employers' group and of the Conference itself from day to day. Article 7E of the Standing Orders provides that the Selection Committee shall propose the members of the various Committees on the basis of the lists submitted by the three groups. Any changes in the lists can be made " subject to the approval of the representatives of the groups who are present." Thus the groups are virtually empowered to decide as they think fit which of their members shall have seats on the various Committees and the power of the Selection Committee to make changes is very limited. But the choice of any group must necessarily be limited to the number of delegates and advisers sent to the Conference and it cannot repair any omission for which the Government of a country may be responsible.

Most of the important work is done in Committees. It is here that the subjects are threshed out, and the decisions licked into shape. The Conference itself has been recognizing the impossibility of coping with the amount of work before a session in the absence of full representation. In the Director's report submitted to the last session there are some apposite remarks to which attention needs to be drawn. In 1923 the Credentials Committee interviewed representatives of countries which had sent incomplete delegations and submitted a special report on the subject. " On this occasion," the Director says, " the Committee made certain general observations regarding advisers and indicated that it was the duty of Governments to send a sufficient number of advisers for the employers' and workers' delegates as well as for the Government delegates. Although it is impossible to lay down any general principle regarding the number of advisers which may be regarded as sufficient, the Committee pointed out that each country should send a delegation composed in such manner that it may

be able to take an active part in the work of the Conference and its different Committees." It is to be hoped that the Government of India will in future give the employers' delegate the necessary advisers to enable him to cope with the work, and will thus discharge the obligation imposed on it by the Peace Treaty.

On May 25th, Sir Atul Chatterjee was elected President of the Conference. In supporting his election the Belgian and Italian delegates called attention to the fact that the country from which he came was the first oversea country to ratify the Washington Convention on the hours of work. In his presidential address, Sir Atul warned the Conference against " concentrating its attention too exclusively on the comparatively modern continents of Europe and America and settling the problems of labour from the angles of these continents only."

The Chairman of the Governing Body of the International Labour Office then submitted the report on the credentials of the delegates and advisers appointed to the session. This was followed by the report of the Committee of experts appointed to examine the annual reports. This Committee had some remarks concerning the ratification by India of the Unemployment Convention. They said, " the Committee notes that the Government of India appears to have interpreted the convention as only involving an obligation to create employment exchanges to the extent to which circumstances may render them necessary. Nevertheless the Office might be instructed to enquire whether the development of industry in India in the last few years may not have modified somewhat the situation which led the Government of India to decide the question of creation of employment exchanges negatively."

Referring to India's ratification of the convention concerning the application of weekly rest in industrial undertakings they observe, " the report of the Government of India on the Weekly Rest Convention makes no reference to railways although they are covered by the convention and are referred to in Article 10 of the Hours' Convention as quoted." The Office might enquire of the Government of India whether measures have been taken to regulate the weekly rest of railway servants."

These and other reports kept the Conference occupied till 2nd June. The next day the Director's report was taken up. In inviting suggestions from the delegates the Secretary General observed that they expected and desired to hear suggestions and criticisms of the general organization and their work, suggestions for their scientific work and suggestions which might promote larger number of ratifications. I confined my remarks to these points. I take the following brief report of my speech from the Provisional record of the Conference :—

"This being my first visit to the Conference I think it my duty to extend my warmest thanks and compliments to our able and celebrated Director, who has put before us in the Director's report a very valuable document which shows what important and noble work this Conference has been doing to promote peace and good-will among employers and employees.

"As the problems which concern other countries will be discussed by representatives of those countries, it will be better for me to confine myself to only the Indian problems. In the first place, I should like to refer to the proposed establishment of the institution of a National Correspondent in India, with an office at Delhi. While the appointment of such a correspondent is a move in the right direction, I do not think Delhi is the proper place for his permanent seat. As Delhi is the capital of India, the National Correspondent will, undoubtedly, be able to keep himself in touch with the Government of India, but Delhi is not an industrial centre. The largest industrial centres in India are Calcutta and Bombay, and therefore if the National Correspondent is to keep in touch with the Indian labour it is only proper that his office should be either in Bombay or in Calcutta.

"I also hope that, in order to create confidence in the labour world, the gentleman selected to act as National Correspondent will be of Indian nationality and that the literature issued from his office will be in the vernacular and not in any foreign language. As is well known, one-third of the Indian people speak and write Hindustani and another one-third

can understand that language very well. I would therefore propose that the literature issued from the Indian correspondent's office should be in Hindustani, which in India is called " Hindi."

"Then I should like to say a word with regard to the abolition of slavery in Nepal. I am very glad to find that the Director has taken a note of this but I would point out that Nepal is not, as stated in the report, an Indian State, the head of which is His Majesty the King of Nepal. I hope that this mistake, even though unintentional, will be corrected in the next edition.

"I would further refer to the non-ratification, as I should call it, of the Washington Hours Convention by our Japanese friends. I have been told by some of my friends that it has become the fashion of the day to attack Japan. I must admit this, but I think that the Japanese themselves ought to be thankful for it. As will be seen from a pamphlet issued by a Japanese writer, while other countries have made great advances in their respective legislations with regard to working hours, we find that working hours in most of the Japanese weaving and dyeing factories are more than 12 hours per day. I cannot help thinking that this is to be deplored. As we all know, in India we are suffering on account of the great competition from the Japanese weaving mills. I think it only fair that the Japanese Government should take the earliest opportunity of ratifying the convention and of reducing hours of work according to the terms of the convention. As an Asiatic nation, we in India can appreciate the ambition of our Japanese friends to build up their industries; but after all, we have to recognize that in this work there is such a thing as humanity also, and for the sake of humanity alone, if for nothing else, we hope that Japan will reduce working hours as soon as possible.

"Before concluding my remarks I would like to say a few words as a kind of personal explanation. You may have noticed that in the past we Indian employers have taken very little interest in this Conference. While the Indian workers were represented by gentlemen of their own nationality, the Indian employers showed a certain amount of apathy. It was only last year, that on account of some controversy regarding the delegation of the Indian employers, a keen interest was aroused in India amongst the Indian employers. We very much appreciated the report of the Credentials Committee appointed at the ninth session of the Conference in which they remarked that it was desirable that the delegation should be composed of nationals of the country concerned. We hope that in future we shall not fail in this direction. We are all alive to the necessity of representing ourselves through the people of our own nationality, and I hope that more will be done in this direction in the future."

The Secretary General, replying to the debate, gave the assurance that in the final text of his report the necessary modification in the case of Nepal would be made. As regards the publication of the literature from the Indian Correspondent's office, he said, " I shall try to issue certain publications in Hindustani though naturally I shall begin with ordinary short publicity pamphlets. On this point I must have your assistance, and you must suggest to me as a beginning such documents as are likely to sell, so that I may receive some return from what I publish.....I will do my best, I can assure you, within the limits of my budget, but will you do your best and will you urge your Government to increase the budget of this organization ?.....If I am to meet these requests concerning additional publications I need, quite frankly, more money.....I appeal to you for your help in this matter."

Mr. Kasama, who represented the Japan Government, replying to my points, said it was not admissible that a country should be charged with unfair competition because it had not ratified the Washington Convention while another country had ratified it. Such competition did not exist between Japan and India, even technically, as the products manufactured were of different fineness. Moreover, in almost half the total number of factories and mines in Japan the actual daily working hours were 9 or less (exactly 41½ per cent. of the total number worked 8 or from 8 to 9 hours). The Federation of Cotton Industries had adopted a maximum of 10 hours with complete suspension of four nights per month. The depression in cotton business in India was not mainly due to Japan's competition; this fact was even

recognized by the spinning mill owners, who complained about the defective yield of workers and their absences. Mr. Kasama was pleased with the progress achieved by Japan, while recognizing that much remained to be done. But the difficulties were great, the country was still at the stage of industrialization and had to cope with the competition of two countries : a big industrial country, the United States, and a lesser one, China.

Mr. Inbata (Japan: Employer) informed the Conference of the economic position of Japan which was compelled to import the raw materials as its restricted area of cultivable soil could not yield enough food to maintain its too dense population. He contended that the two main industries, silk and cotton, did not succeed in compensating the imports. Considerable improvement of the working conditions, as shown by the statistics, was taking place. All misunderstandings between Japan and India would be cleared up in proportion as commercial relations facilitated by long-established moral relations would increase.

Mr. Suzuki, the Labour representative from Japan, agreed with the situation in his country that as regards hours of work it was particularly regrettable. He said, " Our President, in his opening speech, spoke on the noble rivalry and emulation between India and Japan. Well, I admire the tactful phrase but frankly I must say that it is a euphemism which sounds sarcastic to the working classes of the Orient, who are suffering actually from long hours of work. We resent the fact that the Japanese Government has not ratified the Hours Convention of Washington, and I condemn the authorities of my country for this. However, I must recall to my colleagues, the workers' representatives of India, the fact that they must not be complacent with the present situation. India has been faithful to ratify the convention, but remember that it imposes upon her a ten hour day instead of an eight-hour day—a standard far below the world standard. Let us struggle and continue our fight until both India and Japan, those out of eight great industrial States of the world, come up to the common level of the International Labour Organization."

Mr. Suzuki made a suggestion to the International Labour Office to hold a session of the Conference in the Far East in the near future. He based it on two considerations. The first is the spread and the ruinous mischief of communism in the Far East and the second is the growing international importance of the Pacific regions. " Do you realize, gentlemen," he said, " that world history is now beginning a new chapter of the ' Pacific Era'? The Pacific Ocean will be the next scene of the drama of human progress and human conflicts, with the grave political, economic and racial problems involved therein. The International Labour Organization must not fail to grasp the importance of these problems, the bearing of which goes far beyond the Pacific countries."

After the discussion on the report of the Director had been concluded, the main item on the agenda, that of sickness insurance, was taken up. In communicating its reply to the questionnaire sent by the International Labour Office, the Government of India had pointed out :—

" The Government of India consider that the adoption of any comprehensive scheme of sickness insurance must be regarded, for some time at any rate, impracticable in India, and they think it unnecessary that the reply to be sent to the questionnaire on behalf of the Government of India should discuss in detail the provisions of a scheme which will be formulated with almost exclusive regard to the conditions prevailing in the more advanced European countries."

" The Government of India are opposed to the adoption of a draft convention providing for compulsory sickness insurance.....The scheme adumbrated in the Draft Convention appears to be based on conditions prevailing in Europe, and if it is regarded as desirable to formulate a detailed scheme of social insurance, such a scheme should in the opinion of the Government of India preferably be embodied in a recommendation."

The Government of India in fact was the only Government which pronounced against the adoption of a draft convention. In the opinion of the International Labour Office the misgivings of the Government of India were not well founded. In their report on sickness insurance they suggested that there was nothing to prevent the Conference from taking account in any draft convention of special circumstances of particular countries as in fact it had done on previous occasion under a special procedure authorized by paragraph 3 of Article 405 of the Treaty of Peace. They suggested that recourse to this procedure if this

were desired, might enable the Conference to make certain allowances to meet the special difficulties of India.

As is well-known, the scheme of compulsory insurance for industrial workers applies to manual and non-manual workers and apprentices employed by industrial undertakings and commercial undertakings, out workers and domestic servants, though it allows certain exceptions in the case of some specified workers. Its main provision is that an insured person who is rendered incapable of work by reason of the abnormal state of his bodily or mental health shall be entitled to a cash benefit for at least the first 26 weeks of incapacity. A qualifying period is prescribed and cash benefit may be withheld in some cases. The insured person is entitled, free of charge, to medical treatment by a qualified man and to the supply of proper and sufficient medicines and appliances. The insured persons and their employers have to share in providing the financial resources of the sickness insurance system and it is open to a nation to make laws, regulations as to financial contribution by a competent public authority. India, it is agreed, presents many difficulties in the way of adoption of this scheme. Adequate means of communication and plentiful supply of qualified medical men are among the indispensable conditions of any application of a system of compulsory insurance, and these in India do not exist. And when I was serving on the Insurance Committee I had to bring all this to the notice of its members. In expressing the view-point of the Indian employers, I pointed out that although India was not hostile to the principle of such insurance for labour, it found itself in a position which rendered impossible the adoption of the scheme embodied in the Draft Convention. The scheme before the Committee had been formulated with reference to European conditions and as such could not suit India whose industries were not in the same stage of development and could not consequently bear the same burden or strain. Indian labour, whose wages were comparatively so low, could hardly favour a scheme which contemplated contribution by them to the insurance fund established thereunder. In India the question had not even been discussed and time was needed to bring it in line with other countries which had built up their present strong positions under the protection of tariff walls and where even the proposed system had received a fair trial extending in some cases over forty years. I assured the members that I would do my best to bring the matter to the notice of the Indian Parliament, which I hoped would take such steps in this direction as might be justified. But I had to tell them that the scheme as it stood did not suit Indian conditions and was therefore unacceptable to us.

Before the Committee on Sickness Insurance there was a proposal, supported by the employers' group, to set up a sub-committee for agriculture. This, however, was rejected and the procedure adopted was to consider each article of the Agriculture Convention immediately after the corresponding article of the Industry and Commerce Convention. After discussion at seventeen sittings, in the course of which they underwent some modification, both the Draft Conventions with regard to industrial and commercial and with regard to agricultural workers were adopted almost without opposition. The work of the Committee was duly submitted to the Conference and after discussion and votes on the articles of the convention relating to industry and commerce it was adopted by 75 (Governments' and workers') votes to 2 (Dutch Government representatives). All the employers abstained. The convention relating to agriculture was adopted by 72 votes to none. Here again all the employers abstained from voting. There were final votes on the texts of both the Conventions and the Recommendation after they had come back from the Drafting Committee. The employers' group had abstained at the first voting on both the conventions. The fear had been expressed that the conventions, and specially the Agriculture Convention, might not secure the quorum (71) at the final vote, if the employers' maintained the same attitude. In view of this situation the employers' group decided to leave each of its members free to vote according to his preference and disclaimed all responsibility for the vote which he cast. At the final record vote the convention relating to industry and commerce was adopted by 97 votes to 9. 14 employers voted for, 7 employers voted against and 6 employers, including myself, abstained. The convention relating to agriculture was adopted by 85 votes to 9. Here also the Government of India delegates and I abstained from voting.

After this came "Freedom of association and minimum wage-fixing machinery." According to the new procedure of double discussion, this year's Conference had to decide whether these items should be placed on the agenda of the following session and frame questionnaire to be communicated to the Governments. The Committee on Freedom of

Association having presented its report to the Conference, the members were called on to consider and adopt the questionnaire. There was, however, a very serious cleavage of opinion between the labour group and the other groups as to two of the references in the questionnaire, and the workers' group declared that it would vote against the draft. The vote taking place by show of hands, the draft questionnaire was rejected by 54 votes to 42. The matter, however, was referred back to the Committee and a compromise was suggested. But nothing came of it, and on the record vote to place the item on the agenda of the 1928 Conference, the proposal was rejected by 66 votes against to 28 votes for. The question of freedom of association has thus disappeared from the agenda of the International Labour Conference.

The Committee on Minimum Wage-fixing Machinery held 12 sittings. The Indian Government representatives pointed out that the question had not yet been taken up in this country. There was a further discussion in a sub-committee to which the whole question was referred. The text adopted by the Committee was duly reported to the Conference and general discussion on it followed. Mr. Lall, speaking for the Government of India, approved the questionnaire but said his Government could not be committed to any solution of the problem. The questionnaire as a whole was adopted by 80 votes to 19. The insertion of the question in the agenda of the 1928 Conference was adopted by 89 votes to 22. I abstained from voting. The question of methods of minimum wage fixing will consequently come up for final decision before the 1928 Conference.

The questionnaire relating to this subject contemplates proposals dealing with methods of minimum wage fixing in home-working and other trades or in parts of such trades in which:—

(*a*) No arrangements exist for the efficient regulation of wages by collective agreement or otherwise, and
(*b*) Wages are exceptionally low.

Before concluding I should like to allude to a matter which forced itself on my attention at the Conference. The Government of India delegation preserves a continuity of personnel from year to year; and so do most of the foreign delegations. The advantages of adopting this course are obvious. The delegates become increasingly familiar with the organization and its procedure, and with the growing familiarity their influence extends. Compared with their colleagues who represent the Government of India, the Employers' and Labour delegates are at a disadvantage. The whole atmosphere is almost invariably new to them, and they enter on their duties with all the difficulties of strangers to a task. So far as the deliberations in Committees are concerned, they cannot expect to exert the same influence as those who can claim long association with the Conference. I do not say that the entire personnel should be stereotyped. What I suggest is that while delegates may be changed from year to year their adviser or advisers should as far as possible be the same. I hope the suggestion will commend itself to the Association which ought to press for its acceptance by the Government.

No. 2358/71B of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *2nd December*, 1927.

G. D. BIRLA, ESQ., M.L.A.,
BENARES.

DEAR SIR,

I am directed to acknowledge receipt of your letter, dated the 12th October, enclosing a report of your work at the International Labour Conference.

This Association has Europeans as well as Indians among its members, and you will appreciate my Committee's inability to agree with your view that an Indian should always be appointed to represent the employers of this country.

My Committee have studied your report with much interest, and have asked me to tender you their best thanks for having forwarded a copy for their perusal.—Yours, etc.,

T. MALONEY,
Secretary,

APPENDIX 29.

ELEVENTH SESSION OF THE INTERNATIONAL LABOUR CONFERENCE—APPOINTMENT OF EMPLOYERS' DELEGATE.

No. 1976/71A of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *21st October*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF INDUSTRIES AND LABOUR, SIMLA.

SIR,

I have the honour to refer to the Government of India's *communique* dated Simla, September 9th, 1927, notifying the subjects to be discussed at the next International Labour Conference which will be held at Geneva in 1928, and outlining the procedure to be followed in regard to the nomination of non-Government delegates. My Association are particularly interested in the two subjects to be discussed at the 1928 Conference, namely,

(1) Minimum wage fixing machinery;

(2) Prevention of industrial accidents;

and desire to suggest that Sir Ness Wadia, K.B.E., C.I.E., senior partner in the firm of Messrs. Nowrosjee Wadia & Sons, Home Street, Bombay, might be nominated by the Government of India as the Indian Employers' delegate at the Conference. Sir Ness Wadia, as one of the largest employers of labour in India, and as a past Chairman of the Bombay Millowners' Association, has a very intimate and special knowledge of the subjects which will be dealt with at the Conference, and in the opinion of my Committee, is eminently qualified to represent the employers of India at the next International Conference.

The Association also desire to suggest the names of Mr. Shanmukham Chetty, M.L.A., of Coimbatore, Madras, and Mr. Devi Prasad Kaitan of Calcutta as persons specially suitable to act in the capacity of advisers to the Employers' delegate. Article 389 of the Treaty of Versailles lays down *inter alia* that the employers' and employees' delegates and advisers should be chosen in agreement with industrial organizations, if such organizations exist, *which are most representative of employers* or workpeople, as the case may be, in their respective countries. As one of the largest, if not the largest industrial employers' associations in the country, my Association trust that due consideration will be given by the Government of India to the suggestions which have been put forward in this letter.—I have, etc.,

T. MALONEY,
Secretary.

No. 2453/71A of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *14th December*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF INDUSTRIES AND LABOUR, DELHI.

SIR,

In continuation of this Association's letter No. 1976/71A, dated 21st October 1927, suggesting that Government might be pleased to nominate Sir Ness Wadia, K.B.E., C.I.E.,

as the Indian Employers' delegate at the next session of the International Labour Conference, I am directed respectfully to invite Government's attention to an important point which appears to have been overlooked by them in recent years while making these nominations.

2. Article 389 of the Peace Treaty lays down that of the four representatives to be delegated by each member-state " two shall be Government delegates and the two others shall be delegates representing the employers and the workpeople of each of the members," and further on in the same article, it is stated that " the members undertake to nominate non-Government delegates and advisers chosen in agreement with the industrial organizations, if such organizations exist, which are *most representative of employers or workpeople*, as the case may be, in their respective countries."

3. It seems clear from the above-quoted article that in nominating a delegate to represent the employers of this country, Government should be guided mainly by the recommendations of employers' associations. My Committee are of course fully cognisant of the importance which the Government of India attach to the views expressed by Chambers of Commerce on general and mercantile questions, and my Committee fully agree that due weight should be given to their views on such questions. At the same time, however, my Committee maintain that it would be violating the spirit of the Treaty of Versailles if Government, while nominating a delegate on behalf of the employers of this country, were to attach greater importance to the recommendations of the different Chambers of Commerce than to the recommendations of the recognized associations of employers.

4. My Committee understand that the Association's suggestion that Sir Ness Wadia, K.B.E., C.I.E., might be nominated the Employers' delegate has been supported by other leading associations of employers such as the Ahmedabad Millowners' Association, Indian Jute Mills Association, the Khamgaon Factoryowners' Federation, the Indian Tea Association, Calcutta, the United Planters' Association of South India and the Indian Mining Association, and some of those Chambers of Commerce which represent certain large industrial employers of this country such as the Upper India Chamber of Commerce (representing the cotton mills of Cawnpore). Besides the above bodies, certain important Chambers of Commerce as distinct from industrial employers' associations have voted for Sir Ness Wadia, such as the Bengal Chamber of Commerce, the Bombay Chamber of Commerce, the Karachi Chamber of Commerce, the Tuticorin Chamber of Commerce and the Madras Chamber of Commerce.

5. Last year the majority of the employers' associations had put forward the name of Sir Joseph Kay as the most suitable person to represent the employers of this country at the International Labour Conference, but Government were pleased to nominate another gentleman, apparently in accordance with the suggestion made by certain Chambers of Commerce. My Committee trust that from what is stated in the preceding paragraphs Government will recognize that the views of the employers' associations should be the deciding factor in nominating a delegate on behalf of the employers of this country and in order that Government might not overlook this important point as they did last year, my Committee have deemed it advisable to make this representation.

6. In view of the above considerations and the importance to the main industries of this country of the subjects to be discussed at the next session of the International Labour Conference, my Committee trust that the Government of India will see their way to nominate Sir Ness Wadia as the Employers' delegate.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 30.

EAST INDIA COTTON ASSOCIATION—HEDGE CONTRACTS.

Bombay, 3rd November, 1927.

THE CHAIRMAN AND
COMMITTEE OF THE MILLOWNERS' ASSOCIATION, BOMBAY.

GENTLEMEN,

Re. *East India Cotton Association.*

I had the honour of addressing you a letter yesterday regarding the hours of trading and holidays not observed by this body. Another point which I would like to-day to enquire is what steps our Committee propose to take in view of the recommendation of the Tariff Board contained in para 55 of their report, where they have strongly recommended that " in their opinion a single hedge contract is the ideal to be aimed at, but in the meantime, proposals on the lines of the scheme put forward by Messrs. Forbes, Forbes, Campbell & Co. for reducing the number of hedge contracts and widening their scope should again be placed before the Representative Committee of the East India Cotton Association."

In my opinion, this matter is very urgent, and we should now ask the East India Cotton Association as to what steps they propose to take in the matter without delay, specially as the contracts for season 1928-29 will be open for trading on or before 1st May 1928 at the latest. If, therefore, something is to be done in this matter, there is not much time to be lost.—Yours, etc.,

N. N. WADIA.

No. 2297/30A of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *24th November*, 1927.

THE SECRETARY,
THE EAST INDIA COTTON ASSOCIATION, LTD., BOMBAY.

DEAR SIR,

In continuation of the correspondence which has taken place during the past three years between my Association and yours regarding the advisability of broadening the existing hedge contracts, I am desired to invite the very careful attention of your Board to the recommendations made by the Indian Tariff Board (Cotton Textile Industry Enquiry) in paragraph 55 of their report.

2. The Tariff Board endorse the principle laid down by the Government of India in their letter dated 25th September 1920 to the Government of Bombay wherein it was stated :—

> "As regards hedge contracts, the Government of India recognize that the ideal to aim at is that there should be, as in the Liverpool and New York markets, a single hedge contract. But they understand that the introduction of a single hedge contract is opposed by the great majority of Bombay traders and they will not object to a reasonable number of such contracts provided that in framing the conditions of each contract the principle is observed that the contract must be wide enough to prevent cornering by speculators."

3. As a preliminary step towards the attainment of the ideal set forth in the Government of India's letter, the Tariff Board urge that another attempt should be made to get the Representative Committee of your Association to adopt the proposals made in 1925 by Messrs. Forbes, Forbes Campbell & Co., which in the words of the Tariff Board "represent a reasonable and workable compromise" which has been accepted both by the Committee of this Association and by the Board of Directors of your Association. The Tariff Board also express the hope that the Representative Committee "realizing the necessity of strengthening the position of the Bombay mill industry in all possible ways, with corresponding advantage to the cotton trade as a whole, will find itself in a position to accept them."

4. My Committee desire to commend the above observations of the Tariff Board to the earnest consideration of your Directors and to request them to place the proposals of Messrs. Forbes, Forbes, Campbell & Co. once again before the Representative Committee for their consideration. My Committee venture to suggest that the 55th paragraph of the Tariff Board's report might with advantage be brought prominently to the notice of the members of the Representative Committee as an indication of what an impartial and authoritative body like the Tariff Board has to say in this matter.

5. My Committee consider it unfortunate that proposals which had met with the approval of your Board and this Association should have been rejected by the Representative Committee of your Association owing preponderantly to the opposition of certain elements and their inadequate appreciation of the true and legitimate purpose and nature of hedge contracts. In your letter No. 2371-HE-2, dated 12th March 1926, addressed to this Association, you stated that your Board did not consider that any useful purpose would be served by placing before the Representative Committee any proposals for widening hedge contracts until such time as the trade as a whole were "further educated to a full significance of and necessity for the proposed changes in the hedge contracts." My Committee have reason to believe that the attitude of those sections which were opposed to widening the hedge contracts is much more favourable than it was a year ago and consider that in view of the recommendations made by an independent body like the Tariff Board, the proposals of Messrs. Forbes, Forbes, Campbell & Co. would stand a very good chance of being adopted by your Representative Committee.

6. My Committee trust your Board will do their best to impress upon the Representative Committee the urgent necessity of reform and will take an early opportunity of convening a meeting for the consideration of Messrs. Forbes, Forbes, Campbell & Co.'s suggestions or any other scheme of a similar character for the same object.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 31.

EAST INDIA COTTON ASSOCIATION—REMOVAL OF THE RESTRICTION OF TRADING HOURS.

BOMBAY, *2nd November*, 1927.

THE SECRETARY,
THE MILLOWNERS, ASSOCIATION, BOMBAY.

DEAR SIR,

Since my arrival in Bombay, my attention has been drawn to the fact that the Directors of the East India Cotton Association have allowed trading during all the hours of the day, and also every day of the year, thus countermanding their own rules which lay down

specifically the hours and days for keeping the exchange open, and bringing into force the emergency clause under these two rules which enable them under exceptional circumstances to open the market when a serious necessity or crisis occurs in the trade. It is questionable whether they can utilize the emergency clause in the manner they have now done. The proviso at the end of Clauses 50 and 51 distinctly states that "The Board shall have the right of suspending this by-law and of altering, extending or restricting the time of trading hours whenever it shall deem it advisable." But this was distinctly understood to be used only in cases of emergency as is done in Liverpool and New York markets.

From the interview given by Sir Purshotamdas Thakurdas to the *Times of India* and published in that paper on the 5th October 1927, it appears that suspension of these rules was due to the decision of the Chief Presidency Magistrate in the case of Shri Mahajan Association members who were charged with gambling. If, under the Bombay Act No. XIV of 1922, Clause 5, the power vested in the East India Cotton Association, is found to be short by the mention "that all other contracts not made under the rules of the E.I.C.A. shall be void," then the obvious duty of the East India Cotton Association is to approach Government to change the word "void" into "illegal," but instead of acting in this manner, they have opened the market for all the 24 hours of the day during every day of the year. This does not remove or get over the difficulty arising from the decision of the Chief Presidency Magistrate. In fact, it is unfair to the members of the E.I.C.A. themselves inasmuch as some members can trade throughout the day, while others, like big offices, cannot trade during the 24 hours of the day, and as no human being could do without sleep, if the E. I. C.A. consider that persons in charge of big firms could do without sleep, then their Board of Directors must be superhuman beings. It is totally unfair in my opinion to those members who cannot trade all the 24 hours of the day, and it does more harm to them than any possible benefit that might accrue to the few of them.

Our Association had all along taken a strong stand in the matter and had called upon the E.I.C.A. to observe their rules strictly. We have in the past objected from time to time against the infringement of the rules of the trading hours or days, and I am therefore surprised that our representatives of the Millowners Panel who are on the Board of the E.I.C.A. should have, without consulting our Committee, acquiesced in this procedure not knowing the stand we have all along taken for a number of years. The main plea which the Board of the E.I.C.A. seem to have had before them was the necessity of devising some method of controlling the activities of the kutcha kandy market. Will they succeed in this object by keeping the market open for all the 24 hours. Won't they achieve their object better if they keep their own members in order and check them from dealing in kutcha kandy themselves ? I am not mentioning names, nor making any charges, but it is well known throughout the trade that some of the prominent members of that body are trading in kutcha kandy even now, and therefore our representatives ought not to have been beguiled into acquiescence in this breach of the rules by the plausible excuse of devising some method of controlling the activities of the kutcha kandy market. I see from the file I sent for from our Association, that the Shri Mahajan Association had addressed a letter to our Association on the 6th October in this matter. It is quite true that the "devil is quoting scriptures and putting forward righteous indignation," but that does not absolve our representatives going away from the strict attitude of opposition we have put up for a number of years on this point.

I therefore suggest that our Committee should reconsider this whole matter and enter a strong protest against the action of the E.I.C.A., at the same time distinctly telling them that if they were to approach Government for any modification of the existing Act to give them power to make any market illegal, we shall only be too glad to support their contention.

I would also like our Committee to consider the social aspect of the question, viz., the health of the subordinate staff engaged in the trade and the consequences arising therefrom if they are to trade for all the 24 hours of the day, a most inhuman conduct I have never heard of in my career.

I trust that our Committee will take a strong stand in the matter.—Yours, etc.,

N. N. WADIA.

No. 2225/174 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *16th November*, 1927.

THE SECRETARY,
THE EAST INDIA COTTON ASSOCIATION, LTD., BOMBAY.

DEAR SIR,

I am directed to place before the Board of the East India Cotton Association the views of my Association on the question of hours of trading permitted by the East India Cotton Association.

2. The Board of the East India Cotton Association recently amended by-law 50 in such a manner as to permit trading at all hours of the day and night. The representatives of this Association present at the meeting supported the amendment of the By-law as a temporary expedient for checking the operations of the kutcha kandy market, to which this Association has always been strenuously opposed.

3. You are aware that my Committee are strongly opposed to trading all hours of the day and night, and, in 1924, when your Board made it permissible for the members of your Association to trade during all the 24 hours, my Committee had put up a strong opposition and your Board were constrained to cancel the suspension of By-law 50 whereby trading all the 24 hours had been rendered permissible. (*See* this Association's letter dated 26th May 1924, and your reply thereto dated 2nd June 1924.)

4. My Committee are of opinion that trading in kutcha kandy can only be prevented by legislation designed to make such trading illegal, and they would, therefore, urge your Board to take the necessary steps to obtain the very early sanction of Government to such legislation in order that reasonable trading hours may once more be resumed. Trading all the 24 hours is, my Committee maintain, a mere palliative and no real remedy for stopping kutcha kandy business.

5. I am also directed to point out that certain members of your Association are also associate members of the Liverpool Cotton Association, which, as you are aware, has always insisted on regular trading hours. It is feared that the Liverpool Cotton Association might deem it derogatory to its dignity to have as members persons connected with an association which permits trading all the 24 hours.

6. No cotton exchange in the world permits trading throughout the day and night and every cotton exchange has fixed trading hours. My Committee earnestly trust your Board will take the necessary steps as early as possible to regulate trading hours so that your Association may be in line with other similar Associations, and will further move Government to enact the necessary legislation to render kutcha kandy business illegal.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1315/HE/2 of 1927.

THE EAST INDIA COTTON ASSOCIATION, LIMITED,
BOMBAY, *18th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Re. *By-law* 50.

I am directed to acknowledge receipt of your letter No. 2225/174, dated the 16th November 1927, and to say that the same is receiving attention.—Yours, etc.,

D. MEHTA,
Secretary.

No. 1498/HE/2 of 1927.

THE EAST INDIA COTTON ASSOCIATION, LIMITED,
BOMBAY, *30th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

With reference to correspondence ending with my letter No. 1315/HE/2, dated the 18th November, I am directed to inform you that the Board of Directors of my Association have considered your letter No. 2225/174, dated the 16th November 1927. They have not amended By-law 50 as stated by you in para 2 thereof, but merely suspended a portion of that by-law, under the power vested in them by the last clause of that by-law. I am to add that in view of the Government of Bombay having directed the Government Pleader, High Court, to present an appeal against the Chief Presidency Magistrate's order of acquittal in the kutcha kandy case, they consider that it would be premature on their part at present to urge Government to enact legislation to make trading in kutcha kandy illegal. I am to assure you that my Board are conscious of the deficiencies of Act No. XIV of 1922, for the control and regulation of transactions in cotton in Bombay, and are anxious to take such action in the matter as circumstances, after final disposal of the appeal by the High Court, may in their opinion justify, with a view to strengthening the provisions of Section 5 of that Act by enactment of a penal clause in respect to all transactions in cotton which are not made subject to, and in accordance with the by-laws of my Association.—Yours, etc.,

D. MEHTA,
Secretary.

APPENDIX 32.

FUMIGATION OF AMERICAN COTTON.

No. 330/55 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th February*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

On 17th December 1926 I had the honour to convey to you my Committee's views as to the non-necessity of fumigating American cotton, and my Committee are now pleased to learn from the Association's representative on your Committee that you have made a representation to the Government of India to investigate thoroughly whether it is possible for boll weevils to survive the long journey from America to India, and in the light of these investigations to decide whether fumigation is necessary, and if so to what extent.

2. You have been already apprised of the conclusions reached by my Committee on this question, but they approve of a thorough examination of this question *de novo* by the Government on the lines of your representation, and they have therefore directed me to state that your representation to Government has their whole-hearted support. My Committee only trust that Government will be pleased to expedite the investigation of this matter as much as they possibly can.

3. I am to point out that the underquoted extract from the *Agricultural Journal* of the Pusa Institute very materially strengthens the case put forward by the Association for doing away entirely with fumigation :—

> "In connection with the measures undertaken to prevent the introduction of *Authonomus grandis* (the cotton boll-weevil of America) into this country, the services of an Assistant (Mr. R. N. Mathur) were placed at the disposal of the Indian Central Cotton

Committee. For two months the assistant stopped in Bombay and carefully examined the bales of American cotton imported into India. The examination of the bales was carried on before fumigation, after fumigation, again on the wharf, and in a few cases when opened out in the mills. In all 12,615 bales were examined, of which 107 were opened out. Only a single crushed specimen of *A. grandis* was secured.

Mr. Mathur also examined other ' living plants ' that were imported during his stay in Bombay. These plants were being fumigated under the inspection of the Customs officers at the Parel Laboratory. So far no steps are being taken to keep a record of intercepted insects, and we are absolutely in the dark as to what insects we are likely to find introduced into this country. Taking precautionary measures such as fumigation or prohibiting the importation of certain material without definitely knowing what insects can reach the shores of this country alive and get footing here, is to say the least very uneconomic. Staff trained in entomology should be employed at the ports to report on the insects coming in and every pest we wish to guard against must be studied. It will be much cheaper and productive of more good if money be spent on this than on fumigating dead insects."

4. It would appear from the above that Government have already at their disposal sufficient information to warrant the total stoppage of fumigation without any further investigation. My Committee, however, have, as pointed out above, no objection to further investigation being made to enable Government to come to a definite conclusion on the question under consideration.

5. In the second paragraph of the Association's letter of 17th December 1926, the authority of Col. A. B. Shepperson was quoted to show that damage from boll weevil in America during the past season was comparatively light. It is interesting to note that Prof. John A. Todd, in an article on " The World's Cotton Industry " which appeared in the *Times of India* dated 30th December 1926, similarly stated :—

" After three years of terrible loss due to boll weevil it seemed as if the American crop could never recover its old position ; but in some way yet to be explained the weevil has apparently been got under, for the time being at least, and this year's average yield is higher than many of the years before the pest had covered half the belt."

6. The strongest argument to prove the non-necessity of fumigation is of course that in spite of very heavy importations of American cotton into India when the boll weevil damage was at its height in America and no fumigation arrangements existed in India, the boll weevil did not enter the country or if it did, must either have been dead upon arrival, or failed to thrive on Indian cotton. Now that boll weevil has admittedly been got under control in America, there is hardly any justification, in my Committee's opinion, for fumigating American cotton and saddling importers with unnecessary costs. My Committee maintain that *practical* proof as to damage from boll weevil in India should be furnished to the trade, instead of penalizing the trade with heavy charges based on *theory* only.

7. In the very unlikely event of Government arriving at a conclusion different from that reached by my Committee, I am directed to emphasize the view expressed by the Imperial Entomologist in the extract quoted in para 7 of the Association's letter of December 17th, 1926. In the opinion of the Imperial Entomologist, if the boll-weevil survives the journey to India, then the chief danger is in the probability of the weevil escaping *en route* on the way from Bombay to other places, the danger in Bombay City being small as it is well isolated from cotton-growing districts. If, therefore, Government, as a result of their investigations, come to the conclusion that the danger to India from boll weevil is real and must be guarded against, then my Committee submit fumigation should be confined only to American cotton going from Bombay to up-country centres. All cotton going to cotton-growing districts must, of necessity, go by rail and it would entail no additional difficulties if cotton were to be fumigated at the rail-heads instead of at the docks.

8. As desired by my Committee, I am forwarding a copy of the Association's letter of 17th December as well as this letter to the Government of India, Department of Education, Health and Lands.—I have, etc.,

T. MALONEY,
Secretary.

No. 3359 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, 15*th February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Fumigation of American Cotton.*

I have the honour to acknowledge receipt of your letter No. 330/55, dated the 12th of February 1927.—I have, etc.,

W. J. JENKINS,
Deputy Secretary.

No. 3502 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, 23*rd February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Fumigation of American Cotton.*

I have the honour to acknowledge your letter No. 330/55, dated the 12th of February 1927. I enclose a copy of the resolution passed by the Indian Central Cotton Committee on this subject; copies of the abstract proceedings will be forwarded to you in due course as soon as they are received from the press.

In the meantime, in order that there may be no misunderstanding I should like to make it quite clear that the opinion of the Central Cotton Committee was that fumigation must be continued until it is proved that there is no risk of the boll weevil reaching India and that any other course would be to run an entirely unjustified risk. It is not necessary for me to point out to the Millowners' Association how much more important is the Indian cotton crop than the limited imports of American cotton.

As regards the paragraph you quote from the Annual Report of the Officiating Imperial Entomologist, the fact that only one specimen of the boll weevil was found in 107 bales of cotton proves nothing. In the first place, to search a bale of cotton for boll weevil is very much like searching for the proverbial needle in a haystack; in the second place, no negative deductions can be drawn from an examination of 100 bales out of some 15,000 bales imported.

It was also pointed out in the course of discussion in my Committee that the various *opinions* which have now been expressed by statisticians to reduce the damage done by the boll weevil are largely matters of speculation. Absolutely no proof has been received that the risk of importing boll weevil is any less now than in 1922, when my Committee first considered the question. We know from experience of other insect pests that, once a pest is established in a country, such differences between seasons of light and severe attack are common. We have an example in the pink boll worm, a well-known pest in India, which in certain years causes considerable damage to the Bengals cotton crop and in other years is almost negligible. Further, we do know that in America a most vigorous and expensive campaign to reduce the damage done by the boll-weevil has been carried on and the expenditure on weevil destruction has been placed at as high as $10 per acre of cotton. There is every reason to suppose that the decreased damage caused by the boll-weevil in the last two seasons was due, at least in part, to the control measures adopted. But I should explain that such control measures only reduce the damage to the crop of the year concerned

and have no practical effect on the number of weevils which survive till the following season the survivals being governed by winter weather conditions. While, therefore, my Committee have agreed to the fullest possible scientific investigation to determine whether it is possible for the boll-weevil to reach India alive, I desire to make it quite clear that they do not recommend any suspension of fumigation in the meantime.

The question as to whether it is practicable to distinguish between cotton intended for up-country mills and cotton to be consumed in Bombay mills is one which will be separately examined by my Committee in due course. As your representative has doubtless informed you, apart from the scientific aspect, there are two commercial points for consideration. In the first place, how could it be assured that no American cotton once admitted to a Bombay mill godown will be sold and subsequently sent up-country? If my information is correct, there have been occasions on which mills in Bombay have re-sold considerable quantities of cotton. Secondly, your proposal would involve a discrimination against up-country mills which would have to pay more for their cotton than Bombay mills. A tentative suggestion was put forward that a fee should be levied, on all American cotton imported, to pay for the fumigation of such cotton as is sent up-country, the argument being that if, say, two-thirds of the cotton is consumed in Bombay, the all-round charge per bale would be reduced to one-third. I should be glad to know whether this proposal would have the approval of your Association.—I have, etc.,

B. C. BURT,
Secretary.

Copy of Resolution passed by the Indian Central Cotton Committee, 14th Meeting, 24th to 26th January 1927.

Resolution 12.—" That, in view of the unexpectedly large quantity of American cotton being imported into this country resulting in a heavy charge on the textile trade for fumigation, this Committee is of the opinion that the Government of India be requested to cause further immediate scientific investigations to be made with a view to ascertaining :—

(1) If it is a practical fact that the Mexican boll weevil can be imported into India in American cotton and if it would be a danger to the cotton crop of this country?

(2) If so, to what extent should fumigation be enforced? "

No. 414/55 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd February*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Fumigation of American Cotton.*

I have the honour to acknowledge receipt of your letter No. 3502, dated 23rd February 1927, enclosing a copy of the resolution passed by your Committee on considering this Association's letter of 17th December 1926.

2. It is noted that copies of the abstract proceedings will be forwarded by you as soon as received from the press. I am, however, directed to request that a typed copy may kindly be furnished on receipt of this letter, so that the abstract proceedings may be perused by my Committee along with your letter under acknowledgment.

3. My Committee would also like to be furnished with a copy of the representation made to the Government of India in pursuance of the resolution regarding fumigation passed by your Committee at their last meeting.—I have, etc.,

T. MALONEY,
Secretary.

No. 3593 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *25th February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Fumigation of American Cotton.*

With reference to your letter No. 414/55, dated the 23rd of February 1927, I have the honour to say that an advance copy of the abstract proceedings of the Committee will be supplied as soon as ready.

I regret that I cannot supply a copy of my letter to the Government of India as it deals with administrative details.—I have, etc.,

B. C. BURT,
Secretary.

No. 3740 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *1st March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Fumigation of American Cotton.*

I have the honour to forward herewith an advance copy of the abstract proceedings of the Committee as promised in my letter No. 3593, dated the 25th of February 1927. —I have, etc.,

B. C. BURT,
Secretary.

Abstract Proceedings of the Indian Central Cotton Committee.

SUBJECT 8—FUMIGATION OF AMERICAN COTTON.

(*a*) Report of Secretary.
(*b*) Fumigation fees.
(*d*) Letter from Bombay Millowners' Association.

The Committee considered a report by the Secretary on the working of the fumigation arrangements. At the request of the Bombay Millowners' Association the Committee investigated the possibility of permitting importation of American cotton during the monsoon. The Government of India accepted their proposals and sanctioned the importation of American cotton during the monsoon of 1926 as an experimental measure. The scheme worked smoothly and the Sub-Committee recommended that importation throughout the year should be permitted as a regular thing in future. This recommendation has been accepted by Government.

2. A report was also received of the action taken by the Local Sub-Committee to secure a reduction of fumigation fees. The working costs for the two seasons ending October 1926 was carefully analysed and it was shown that Government could now reduce their charge by four annas per bale in the fair weather (*i.e.*, by 20%) and that they could reduce their monsoon extra charge from 6 annas to 3 annas per bale. It was also found that the Port Trust could now reduce their fair weather charge from 4 annas to 3 annas and their monsoon handling charge from 6 annas to 3 annas, and further that the special monsoon charge for shed rent could be reduced from Re. 1 to 8 annas per bale. The proposed reductions have

been agreed to by Government and the Port Trust and revised fees notified accordingly, the new charges being Rs. 3-1-0 (instead of Rs. 3-6-0) for the fair weather and Rs. 3-12-0 as against Rs. 4-14-0 for the monsoon period. The largest item in the fumigation fee is the cost of lighterage, but this cannot be summarily reduced as it is governed by an agreement which cannot be terminated till the 31st of May 1927; the Sub-Committee have secured the termination of the agreement on this date and tenders will be called for in the hope of securing a still further reduction.

3. A letter from the Bombay Millowners' Association, asking for the whole question of fumigation of American cotton to be re-examined and urging that fumigation is now unnecessary, was next considered. After very full discussion the following resolution was passed :—

Resolution 12.—"That in view of the unexpectedly large quantity of American cotton being imported into this country resulting in a heavy charge on the textile trade for fumigation, this Committee is of the opinion that the Government of India be requested to cause further immediate scientific investigation to be made with a view to ascertaining :—

(1) If it is a practical fact that the Mexican boll weevil can be imported into India in American cotton and if it would be a danger to the cotton crop of this country ?

(2) If so, to what extent should fumigation be enforced ?"

Summary of Discussion.

4. On behalf of the Bombay Millowners' Association it was urged :—

(*i*) that the present imports of American cotton were so heavy that the fumigation fees became a definite burden on the textile trade ;

(*ii*) that when the Association originally agreed to fumigation there was no reason to believe that it would be as expensive as has turned out to be the case ;

(*iii*) that damage by the boll weevil in America had been very greatly reduced during the last two years, whereas in 1923 when fumigation proposals were made the damage in America was very severe ; hence there was now less risk of the boll weevil reaching India ;

(*iv*) that there had been heavy imports of American cotton in the past and the fact that boll weevil had not been introduced suggested that it could not stand the journey to India and that no definite proof had ever been put forward that the boll weevil could reach India alive ;

(*v*) that even if fumigation were necessary the original recommendations of the Imperial Entomologist suggested that there was less risk from cotton imported for consumption in Bombay mills. Hence the Bombay Millowners' Association suggest that only cotton for up-country mills need be fumigated and that so far as Bombay mills were concerned it would be sufficient if hessians and blow-room waste were burnt.

5. Mr. Fletcher, Imperial Entomologist, attended the meeting by special invitation in order to place full scientific details before the Committee.

6. In the course of discussion it was generally agreed that the smaller loss caused by the boll weevil to the American cotton crop in 1925 and 1926 did not indicate any appreciable diminution of the risk of the pest being imported into India. A comparison with the yields and areas of previous years showed that the boll weevil was still an important pest in America, though the damage had been reduced. The partial control of the pest which had been achieved must in part be attributed to the fact that in America the most extensive and expensive operations which have ever been undertaken for dealing with an insect pest, had been put into force at a cost estimated at $10 per acre. In addition the climatic conditions of the last two seasons had been in favour of cotton and unfavourable to the boll weevil.

7. The decision that there was a definite risk of the boll weevil being imported into India had been arrived at after careful consideration of the best information available from America about this pest. The restrictions on the importation of American cotton were really an insurance against damage to the Indian cotton crop and the necessary precautions must be continued unless it could be definitely proved that the boll weevil could not reach India. It was agreed, however, that it was not satisfactory that the Committee should only have American opinions to justify the continuance of fumigation and that an attempt should be made to work out the scientific side of the case more fully and to determine by actual experiments whether the boll weevil could reach India alive. This point indeed had been raised when the Committee first discussed the matter, but the expert advice which was then received was that it would not be justifiable to run the risk of importing the weevil for experimental purposes. The Committee considered that the question whether boll weevil could be imported under suitable safeguards should be fully examined. It was impossible to say off-hand what safeguards would be necessary and whether they could be designed. On the further question as to whether it could be proved experimentally that the boll weevil on arrival in India would be capable of becoming a major pest of Indian cottons, opinion was divided, some members considering that this was necessary to complete the scientific aspect of the question, whilst others held that it would be incurring an unjustifiable risk to allow the boll weevil to be placed on Indian cotton plants in order to ascertain the damage done as they considered that there was great doubt if adequate safeguards could be provided. It was considered that this also was a matter which must be examined in detail by the Imperial Department of Agriculture.

8. On the question whether it was necessary to fumigate cotton intended for consumption in Bombay mills or whether it would, be sufficient to fumigate only such cotton as went up-country, it was decided that this was a secondary question which also required full examination from the entomological standpoint. It was pointed out that there were various difficulties in practice in securing that only fumigated cotton left Bombay as mills sometimes sell the cotton which they have in their godowns. It was also pointed out that such procedure would give Bombay mills a preference over up-country mills. On this question it was suggested that if it was found sufficient and practicable to fumigate only cotton that was going out of Bombay a smaller fumigation fee might be levied on all imported cotton to cover the cost of fumigating of the smaller quantity required by up-country mills. This would lead to a substantial reduction in the charge per bale.

The final conclusion of the Committee was that the Committee acted rightly in recommending fumigation on the information before them in 1923, but that had they been able to anticipate the present large arrivals of American cotton more permanent and more economical fumigation arrangements might have been designed. It was, however, necessary to find out definitely if boll weevil was a real danger to India and, if so, to what extent fumigation should be enforced.

The resolution was carried unanimously.

Further Discussion.

The necessity for adequate control of the importations was urged. It was decided that this must be a matter for the Imperial Entomologist to decide as the Committee had asked the Government of India to arrange for immediate scientific investigation.

(*c*) *Proposal for fumigation facilities in Calcutta.*—A letter from the Indian Chamber of Commerce, Calcutta, suggesting that fumigation arrangements should be made at that port was considered. The Chamber had not been able to furnish any information of the amount of cotton which would be imported at Calcutta or of the requirements of Bengal mills. On the other hand, it was known that prior to 1925 (when fumigation was introduced) imports of American and foreign cottons through the Port of Calcutta were trivial.

The following resolution was passed unanimously :—

Resolution 13.—"That the Committee are unable to recommend to the Government of India to allow the importation of American cotton at any other port than Bombay until it can be shown that the arrivals at such ports would justify the expenditure which the provision of fumigating facilities would involve."

No. 561/55 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd March*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF EDUCATION, HEALTH AND LANDS, DELHI.

SIR,

SUBJECT :—*Non-necessity for Fumigation of American Cotton.*

I am directed by my Committee to forward herewith for your information copies of the Association's letters Nos. 2193/40 and 330/55, dated 17th December 1926 and 12th February 1927, respectively, on the above subject addressed to the Secretary, Indian Central Cotton Committee.

It is regretted that through a clerical error copies of the letters in question were not forwarded to you earlier.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 33.

REDUCTION IN FUMIGATION CHARGES.

Cir. No. 2911/3 of 1927.

INDIAN CENTRAL COTTON COMMITTEE.
BOMBAY, *28th January*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Fumigation of American Cotton.*

I have been informed by the Government of India that the fumigation fee for American cotton has been reduced by four annas per bale with effect from November 1st, 1926, and that instructions will be issued to the Collector of Customs, Bombay, to grant refunds of 4 annas per bale on cotton imported since November 1st, 1926, on which the fumigation fee of Rs. 3-6-0 per bale has been paid.

2. The Bombay Port Trust have recently made a reduction of one anna per bale in their charge to Government and this will take effect from the date of the Government notification giving effect to the reduction mentioned above. From the date of the notification the fee for the fumigation of American cotton for the fair season will be Rs. 3-1-0 instead of Rs. 3-6-0.

3. The Government of India have also sanctioned a continuance of the importation of American cotton during the monsoon. The Government monsoon extra charge has been reduced from Re. 0-6-0 to Re. 0-3-0 and the Port Trust monsoon extra charge from Re. 1-2-0 to Re. 0-8-0 hence the total monsoon extra charge this year will be Re. 0-11-0 instead of Re. 1-8-0 as in 1926.

4. It is not possible to say what the total fumigation charge will be after May 31st, 1927. On the above figures it would be Rs. 3-12-0 (as against Rs. 4-14-0 in 1926) but the present lighterage contract terminates on May 31st, 1927, and it is hoped to secure a further reduction in charges.—I have, etc.,

B. C. BURT,
Secretary.

No. 957/55 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *8th June*, 1927.

TO ALL MEMBERS OF THE ASSOCIATION.

DEAR SIRS,

Fumigation Fees.

Members are aware that the fee for fumigation of American cotton during the fair weather is Rs. 3-1 per bale, and during the monsoon Rs. 3-12 per bale.

2. By the Association's circular letter No. 768/55 of 2nd May 1927, members were informed that the monsoon rates would come into force from 1st June.

3. The monsoon extra charge of eleven annas is mainly designed to cover additional transport charges when cotton has to be landed in quarantine, and the Government of India have now issued orders that so long as it is not necessary to quarantine unfumigated cotton the fair weather fumigation fee without the monsoon extra fee should be charged.

4. When it becomes necessary to land unfumigated cotton in quarantine (as was the case in 1926), the additional monsoon fee, now eleven annas per bale, which covers the rent of quarantine sheds (8 annas) and the extra lighterage (3 annas), will automatically come into force.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1643/55 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *13th September*, 1927.

TO ALL MEMBERS OF THE ASSOCIATION.

DEAR SIRS,

Fees for Fumigation.

Members are aware of the Notification of the Government of India, dated 26th November 1925, regarding fees for fumigation.

2. Government have now notified that in para 1 of the notification referred to above, for the words "provided that the minimum fee for the fumigation of any consignment of cotton shall be rupees one hundred and fifty" the following shall be substituted :—

> "Provided that the minimum fee for the fumigation of any cotton imported at any one time on a single ship shall be rupees one hundred and fifty, and that when such fee is leviable it shall if there is more than one consignee be distributed among the consignees in proportion to the amount of their respective consignments."

3. In accordance with this decision, in future the levy of the minimum fee will be restricted to one fee per ship and this fee will be payable *pro rata* by those importers whose consignments would ordinarily have incurred a minimum fee.—Yours, etc.,

J. P. WADIA,
Assistant Secretary.

APPENDIX 34.

BOMBAY COTTON MARKETS ACT.

No. 103-G.

REVENUE DEPARTMENT,
BOMBAY, *29th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Cotton Markets.—Bill to provide for the establishment of—in the Bombay Presidency.*

I am directed to forward a copy* of the Bill to provide for the establishment and the better regulation of cotton markets in the Bombay Presidency, which was introduced in the current session of the Legislative Council, and to request that the Government of Bombay (Transferred Departments) may be favoured with the views of your Association thereon by 5th August 1927, as a meeting of the Select Committee on the Bill is to be held on the 8th idem. The draft of the original Bill was circulated in the year 1923 and the opinion of your Association thereon was communicated in Mr. Maloney's letter No. 601/70, dated 12th June 1923. The Bill now forwarded differs in several important respects from that draft. —I have, etc.,

M. R. DAVAR,
For *Secretary to the Government of Bombay.*

No. 1371/73 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st August*, 1927

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
REVENUE DEPARTMENT, BOMBAY.

SIR,

SUBJECT :—*Cotton Markets.—Bill to provide for the establishment of—in the Bombay Presidency.*

I have the honour to acknowledge receipt of your letter No. 103-G, dated 29th July 1927.

2. In my letter No. 601/70, dated 12th June 1923, I communicated the views then held by my Committee regarding the establishment of cotton markets upon the Berar system. Since that letter was written my Committee's views have undergone a considerable change as a result of the investigations which the Central Cotton Committee have made into the financing of the cotton crop in various parts of the Presidency, and my Committee now approve of the Bill under consideration except that in their opinion the definition of 'cotton' should be amended so as to exclude 'waste' from the scope of the Bill.—I have, etc.,

T. MALONEY,
Secretary.

* Bill not printed.

BOMBAY ACT NO. XVII OF 1927.

An Act to provide for the establishment and the better regulation of Cotton Markets in the Bombay Presidency.

Whereas it is expedient to provide for the establishment of recognized open markets for the purchase and sale of cotton in the Bombay Presidency, excluding the City of Bombay, Aden and the town of Karachi, and for the better regulation of such markets; And Whereas the previous sanction of the Governor General required by Section 80-A of the Government of India Act and the previous sanction of the Governor required by Section 80-C of the said Act, have been obtained for the passing of this Act; It is hereby enacted as follows:—

Short title.

1. This Act may be called the Bombay Cotton Markets Act, 1927.

Extent.

2. This Act shall apply to the whole of the Presidency of Bombay except the City of Bombay, Aden and the town of Karachi comprising, as from time to time constituted, the Municipal district of Karachi, the Port of Karachi and the Cantonments of Karachi and Manora.

Definitions.

3. In this Act, unless there is anything repugnant in the subject or context:—

'Cotton.'

(*i*) "Cotton" includes ginned cotton and unginned cotton.

'Cotton market.'

(*ii*) "Cotton market" means a market established under Section 4.

'Grower of cotton.'

(*iii*) "A grower of cotton" shall not include a dealer or broker in cotton, although such a person may grow cotton. If a question arises whether any person is a grower of cotton or not for the purpose of this Act, the decision of the Collector of the district in which the person permanently resides shall be final.

Prescribed.

(*iv*) "Prescribed" means prescribed by rules or by-laws made under this Act.

Notification of a cotton market.

4. (1) The local Government may, after consulting the District Local Board and such other local authorities as they deem necessary or upon a representation made by the District Local Board, by notification in the *Bombay Government Gazette*, declare that any place shall be a cotton market established under this Act.

(2) Every such notification shall define the limits of the cotton market so established, and may, for the purposes of this Act, include within such limits such local area as the local Government may prescribe.

The Market Committee.

5. For every cotton market there shall be a market committee. The market committee shall be constituted as prescribed and shall consist of not less than twelve and not more than sixteen members. Of these not less than half shall be persons elected by the growers of cotton of such area as the local Government may prescribe, one shall be a member nominated by the local Government, one shall be elected by the District Local Board of the district in which the cotton market is situated, one by the municipality, if any, of the area in which the market is situated, and the remainder shall be elected by the traders in the cotton market in such manner as may be prescribed.

Rules.

6. (1) The local Government may, either generally, or specially for any cotton market or group of such cotton markets, make rules consistent with this Act for the purpose of the management and regulation of such cotton markets under this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for or regulate—

(*i*) the election and nomination of members of the market committee, the number of members to be elected by each of the bodies or groups of individuals referred to in Section 5, and the manner of election, the preparation and revision of lists of voters from time to time, the payment of all expenditure in connection with or incidental to such election and the term of office of such members;

(*ii*) the powers to be exercised by the cotton market committee

(*iii*) the election of the chairman of such committee and his term of office

(*iv*) the filling of casual vacancies in the offices of members or in the office of chairman of the market committee;

(*v*) the management of the cotton market and the prescribing of fees by the market committee, and, subject to the provisions of this Act, the collection and disposal of such fees;

(*vi*) the issue by the market committee of licences to brokers, weighmen, measurers, surveyors and warehousemen and other persons using the cotton market, the form in which, and the conditions under which, such licences shall be issued, and the fees to be charged for such licences;

(*vii*) the place or places at which cotton shall be weighed or measured, and the kind and description of the scales, weights and measures to be used at such place or places;

(*viii*) the periodical inspection, verification and correction of all scales, weights and measures in use in the cotton market;

(*ix*) the trade allowances which may be made or received by any person in any transaction in a cotton market;

(*x*) the preparation of plans and estimates for works proposed to be constructed partly or wholly at the expense of the market committee, and the grant of sanction to such plans and estimates;

(*xi*) the form in which the accounts of the market committee shall be kept, the manner in which they shall be audited, and the time or times at which they shall be published;

(*xii*) the preparation of an annual budget and its submission for sanction, and the reports and returns which shall be furnished by the market committee;

(*xiii*) the disposal of any surplus funds of the market committee;

(*xiv*) generally for the guidance of the market committee.

(3) Any such rules may, when necessary, provide that any contravention thereof or of any of the conditions of any license issued thereunder shall on conviction by a magistrate be punishable with fine which may extend to five hundred rupees.

(4) All rules made under this section shall be subject to previous publication and shall, when made, be laid on the table of the Bombay Legislative Council for one month previous to the next session thereof and shall be liable to be rescinded or modified by a motion of the said Council tabled at the next session.

By-laws.

7. Subject to any rules made by the local Government under the last preceding section and with the previous sanction of the Commissioner, the market committee may, in respect of the cotton market under its management, make by-laws for the regulation of the business and the conditions of trading in such market and may provide that contravention thereof shall on conviction by a magistrate be punishable with fine which may extend to fifty rupees.

Sub-committees and joint committees and delegation of powers.

8. The market committee may appoint one or more of its members to be a sub-committee or to be a joint committee for the conduct of any work or works or to report on any matter or matters, and may delegate to any one or more of its members such of its own powers as may be necessary.

Appointments and salaries of servants of the market committee.

9. (1) The market committee may employ such officers and servants as may be necessary for the management of the cotton market and may pay such officers and servants such salaries as the committee thinks fit. The committee may, in the case of any officer or servant of Government which it employs, pay such pension contribution, gratuity or leave allowance as may be required by the regulations made by Government in this behalf and for the time being in force.

(2) The committee may also, in the case of any of its officers and servants, provide for the payment to them of such leave allowances, pensions or gratuities as it deems proper ; and may contribute to any provident fund which may be established for the benefit of such officers and servants.

(3) The powers conferred by this section on the market committee shall be exercised subject to any rules which may be made in this behalf by the local Government.

Contracts how executed.

10. (1) Every contract entered into by the market committee shall be in writing and shall be signed on behalf of the market committee by the chairman and two other members of the market committee.

(2) No contract other than a contract executed as provided in sub-section (1) shall be binding on a market committee.

The market committee fund.

11. All monies received by a market committee shall be paid into a fund to be called the "Market Committee Fund" and all expenditure incurred by the market committee under or for the purposes of this Act shall be defrayed out of the said fund ; and any surplus remaining after such expenditure has been met shall be invested as may be prescribed in the rules made in this behalf.

Purposes for which the market committee fund may be expended.

12. Subject to the provisions of Section 11 the market committee fund shall be expended for the following purposes only :—

(*i*) the maintenance and improvement of the cotton market ;

(*ii*) the construction and repair of buildings which are necessary for the purposes of such market and for the health, convenience and safety of the persons using it ;

(*iii*) the pay, pensions, leave allowances, gratuities and pensions or provident fund contributions of the officers and servants employed by the market committee ; and

(*iv*) the expenses of and incidental to elections.

No trade allowance not recognized by custom or rules allowable.

13. No trade allowance, other than an allowance prescribed by rules or by-laws made under this Act, shall be made or received by any person in any transaction in a cotton market established under this Act, and no Civil Court shall, in any suit or proceeding arising out of any transaction in any such cotton market, have regard to any trade allowance not so prescribed.

Explanation.—Every deduction other than deductions on account of deviation from sample, when the purchase is made by sample, or of deviation from standard, when the purchase is made by reference to a known standard, or on accouut of difference between the actual weight of the sacking and the standard weight, or on account of the admixture of foreign matter, shall be regarded as a trade allowance for the purposes of this Act.

Market committee to be a body corporate.

14. Every market committee shall be a body corporate by the name of "The Market Committee of....." and shall have perpetual succession and a common seal, and may sue and be sued in its corporate name, and shall be competent to acquire and hold property both moveable and immoveable, to lease, sell or otherwise transfer any moveable or immoveable property which may have become vested in or been acquired by it, and to contract and to do all other things necessary for the purpose of this Act.

15. (1) Every market committee may, with the previous sanction of the local Government, raise the money required for carrying out the purposes of this Act on the security of any property vested in and belonging to the market committee, and of any fees leviable by the market committee under this Act.

Power to borrow.

(2) The conditions under which such money shall be raised and the time within which the same shall be repayable shall be subject to the previous sanction of the local Government.

16. (1) If in the opinion of the local Government a market committee is not competent to perform, or persistently makes default in the performance of, the duties imposed on it by or under this Act, or exceeds or abuses its powers, the local Government may, by an order published in the *Bombay Government Gazette*, declare such market committee to be incompetent, or in default, or to have exceeded or abused its powers, as the case may be, and may supersede it.

Supersession of market committee.

(2) When a market committee has been superseded, all members of the committee shall, as from the date of the order, vacate their offices as members.

(3) When a market committee has been superseded, all property and rights vested in it shall, subject to all charges and liabilities affecting the same, vest in Government.

Provided that if no new market committee is constituted for the cotton market under Section 5, all property that shall remain after the satisfaction of all the debts and liabilities of the superseded market committee shall vest in the local authority of the area in which the cotton market is situated for the purpose of any object of public utility in the said area.

17. Wherever the local Government has, by a notification under Section 4, declared any place to be a cotton market, no person shall, within the limits of such cotton market or within a distance thereof to be notified in the *Bombay Government Gazette* in this behalf in each case by the local Government, except with the sanction in writing of the local Government expressed over the signature of a Secretary to Government and subject to such conditions as may be imposed in such sanction, set up, establish or continue or allow to be continued any market for the purpose of the purchase and sale of cotton.

No private market to be opened in or near places declared to be cotton markets.

Explanation.—A person shall not be deemed to set up, establish or continue or allow to be continued a place as a market for the purpose of the purchase and sale of cotton if he sells his own cotton outside the premises set apart by the market committee for the purpose of purchase and sale of cotton.

18. Whoever in contravention of this Act, sets up, establishes, continues or allows to be continued any market for the purpose of the purchase and sale of cotton, or violates the conditions under which he has been allowed to set up, establish or continue, any such market, shall on conviction by a magistrate be punished with fine which may extend to Rs. 500, and, in case of a continuing breach of the provisions of Section 17, with fine which may extend to Rs. 100 for each day after the first during which the breach continues.

Penalties.

19. No offence under this Act or under any rule made under Section 6 or under any by-law made under Section 7 shall be triable by a magistrate other than a magistrate of the First Class.

Offences to be triable only by a First Class Magistrate.

All fines and damages recovered from an offender shall be paid to the market committee.

Prosecutions under this Act may be instituted by any person duly authorized in writing by the market committee in this behalf.

APPENDIX 35.

PROPOSED AMENDMENTS BY THE COTTON MERCHANTS' AND MUCCADUMS' ASSOCIATION IN THE RULES REGARDING WEIGHMENT OF COTTON BALES, ETC.

No. 2452/195 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *14th December*, 1927.

THE SECRETARY,
THE EAST INDIA COTTON ASSOCIATION, BOMBAY.

DEAR SIR,

The attention of my Committee has been drawn to a circular letter issued by the Bombay Cotton Merchants' and Muccadams' Association, Ltd., to its members recommending certain alterations in the existing rules regarding weighing of cotton, etc.

Your Association is the properly constituted body for making such alterations in the existing rules and regulations, and my Committee are surprised that the Muccadams' Association should have taken this step without a reference to your Association on which the Muccadams have their own representatives. In my Committee's opinion, this attempted usurpation of the functions of the East India Cotton Association by the Muccadams' Association should be severely dealt with and my Committee would, therefore, be pleased to learn what steps your Board are taking to stop the Muccadams' Association from attempting an alteration in the rules and regulations now observed by the trade and recognized by the East India Cotton Association without consulting the trade through the medium provided by your Association.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1755/BL/1.

THE EAST INDIA COTTON ASSOCIATION, LIMITED,
BOMBAY, *17th December*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am directed to acknowledge receipt of your letter No. 2452/195, dated the 14th December 1927, and to inform you that the Chairman of the Bombay Cotton Merchants' and Muccadums' Association has addressed a letter to my Association forwarding copies of resolutions recommending certain alterations in By-laws 96, 117 and 119 of my Association regarding weighing of cotton, etc., in which it is definitely stated that the proposed alterations will come into force from 1st January next *subject to the acceptance of the same by my Association.*

With regard to the remarks made by you in para 2 thereof, I am to point out that unless and until the proposed alterations under reference are approved by the Board of Directors and thereafter, by the Representative Committee by a two-thirds majority of the members present and voting at their meeting as required by Article 73 of the Articles of Association of my Association and subsequently, are sanctioned by the Government of Bombay under Section 3 (*i*) of the Bombay Act XIV of 1922, they are void in law and cannot be held to be binding on members thereof in the absence of any statutory enactment. I am to add that the proposed alterations as suggested by the Muccadums' Association will be referred to the Rules Sub-Committee of my Association for consideration and their report will be considered by the Board in due course.—Yours, etc.,

D. MEHTA,
Secretary.

No. 2562/195 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *29th December*, 1927.

THE SECRETARY,
THE EAST INDIA COTTON ASSOCIATION, LTD., BOMBAY.

DEAR SIR,

I am directed to acknowledge receipt of your letter No. 1755/BL/1, dated the 17th instant, regarding certain alterations recommended by the Bombay Cotton Merchants' and Muccadams' Association in By-laws 96, 117 and 119 of your Association.

2. You state that the Muccadams' Association in their letter to you have definitely stated that the proposed alterations would come into force from 1st January next, *subject to the acceptance of the amendments by your Association.* You further point out that the proposed amendments, if approved of by your Board of Directors, will have to be referred to the Representative Committee, and after being approved by a two-thirds majority of the Representative Committee will have to be sanctioned by the Government of Bombay before they can come into force.

3. My Committee are, however, surprised to find that the Muccadams' Association have issued a printed circular to the cotton trade informing the trade of the following resolution passed at their Extraordinary General Meeting held on the 26th November 1927 :—

"That it be and is hereby resolved :—

(1) That with effect from the 1st January 1928, no allowance should be allowed as stone allowance either by deducting in the weighment figures or by putting a stone in the scales.

(2) That on sales made from the 1st of January 1928, no extra pounds should be allowed in consideration of burst and re-pressed bales. That this should apply only to those of the burst or re-pressed bales which the buyer is liable to take under the By-laws Nos. 119 and 96 of the East India Cotton Association, Ltd."

The circular to the cotton trade is concluded as below :—

"All the members of this Association and the cotton trade are hereby informed, therefore, that no stone allowance and no extra pounds over such of the burst or re-pressed bales as the buyer is liable to take under the By-laws of the East India Cotton Association, Ltd., shall be allowed from the 1st January 1928, until further notice."

4. Your Association has not laid down any rules regarding stone allowance, but it s a long-established custom in the trade, and if the Muccadams desire any change in the existing rules and practice, they should, in my Committee's opinion, approach your Association so that the views of all sections of the trade might be ascertained. I am directed to reiterate my Committee's opinion that this attempted usurpation of the functions of the East India Cotton Association by the Muccadams' Association should be severely dealt with, and my Committee will be pleased to learn from you at an early date as to what steps your Directors propose to take in order to stop the Muccadams' Association from their attempt to impose their own rules and regulations on the trade.—Yours, etc.,

T. MALONEY,
Secretary.

No. 2561/195 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *29th December*, 1927.

THE SECRETARY,
THE BOMBAY COTTON MERCHANTS' AND MUCCADAMS' ASSOCIATION, LTD., BOMBAY.

DEAR SIR,

SUBJECT :—*Stone Allowance in weighments of Cotton Bales and Allowance by way of extra pounds in consideration of Burst Bales.*

The attention of my Committee has been drawn to the printed circular, dated 10th December 1927, issued by your Association under the above heading for the information of the members of your Association and the cotton trade generally.

2. My Committee understand that the amendments proposed by you are being considered by the East India Cotton Association and opportunity will be given by that Association to all sections of the trade to express an opinion thereon. Under the circumstances, my Committee believe that your circular purporting to enforce the proposed amendments from 1st January 1928 was issued owing to some misunderstanding.

3. You will no doubt agree that the East India Cotton Association is the properly constituted body to frame and administer rules and by-laws of the cotton trade, and my Committee are confident your Association has no intention of endeavouring to impose any rules and regulations on the trade without previous consultation with the different sections which are all represented on the East India Cotton Association.

4. Any attempt on the part of the Muccadams to enforce the amendments mentioned n the printed circular referred to above is likely to cause friction between them and buyers of cotton, and in order to avert this, my Committee trust you will be good enough to issue another circular explaining that the rules and practice hitherto observed will be adhered to, pending consideration by the East India Cotton Association, of the amendments proposed by you.—Yours, etc.,

T. MALONEY,
Secretary.

THE BOMBAY COTTON MERCHANTS' AND
MUCCADUMS' ASSOCIATION, LTD.,
BOMBAY, *31st December*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Re. *Stone Allowance in weighments of Cotton Bales and Allowance by way of extra pounds in consideration of Burst Bales.*

With reference to your letter No. 2561/195 of 1927, dated the 29th instant, I have the honour to send to you herewith enclosed copy of a notice of this Association of the 30th instant, notifying that the resolutions of the Association, dated the 26th November 1927, in connection with the above, shall not be put into effect for the present until further notice.

A copy of a letter addressed by this Association to the East India Cotton Association, Ltd., in the same connection is also sent to you for your information.—Yours faithfully,

KAIKHOSRU S. NICHOLSON,
Chairman.

THE BOMBAY COTTON MERCHANTS' AND MUCCADUMS' ASSOCIATION, LTD.,
BOMBAY, *30th December*, 1927.

URGENT NOTICE.

Re. *Stone Allowance in weighments of Cotton Bales and Allowance by way of extra pounds in consideration of Burst Bales.*

It is hereby notified that this Association has resolved that the resolutions in connection with the above, notified by this Association's circular dated the 10th instant, should not be put into effect from the 1st of January next but should be held in abeyance for the present until further notice.

K. S. NICHOLSON,
Chairman.

Copy of letter dated 31st December, 1927, addressed to the Chairman, the East India Cotton Association, Ltd., Bombay, by the Muccadums' Association.

DEAR SIR,

Re. *Stone Allowance in weighments of Cotton Bales and Allowance of extra pounds in consideration of Burst Bales.*

With reference to the circular issued by this Association dated the 10th instant, a copy of which was sent to your Association enclosed with this office letter dated the 19th instant :—

Your Board would fully agree with my Committee that so far as the extra allowance by way of weight of stone and extra pounds for burst bales is concerned it is purely a voluntary allowance by the sellers to the buyers' muccadum, and has no reference to any of the by-laws of your Association and we were quite within our rights to withdraw the allowance of grace given voluntarily as it was found very irksome and irritative.

As we are, however, informed by the Millowners' Association that your Association is considering this question and is going to give an opportunity to all sections of the trade to express their opinion thereon, with a view to facilitate your doing so in a calmer atmosphere, my Association has suspended the execution of the resolutions referred to above for the present until further notice.

My Association is ready to discuss the question with other sections of the trade concerned and to ventilate the grievances and wrongs and I earnestly request your Board to take the step as early as possible to avoid any bitterness amongst sections and loss to the trade of Bombay as well.—Yours faithfully,

K. S. NICHOLSON,
Chairman.

APPENDIX 36.

QUALITY OF KUMPTA COTTON LAST SEASON.

No. 7484 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *22nd July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Cotton Transport Act—Kumpta-Dharwar area.*

I have the honour to say that at the instance of Sir Purshotamdas Thakurdas, the Local Sub-Committee at their last meeting held on the 11th of July 1927, decided to forward to your Association a copy of the enclosed letter No. 373, dated the 2nd of July 1927, from the Managing Director, Co-operative Cotton Sale Society, Limited, Hubli, for any action which your Association may wish to take. The action taken may kindly be communicated to this Committee.—I have, etc.,

J. RITCHIE,
Deputy Secretary.

Copy of letter No. 373, dated the 2nd of July 1927, from C. S. Shirahatti, Esq., Managing Director, The Co-operative Cotton Sale Society, Limited, Hubli, to Messrs. Hormusjee Hirjeebhoy & Co., representative of Messrs. Tata Sons, Ltd., Hubli.

I am in due receipt of your two letters of the 11th and 30th June 1927 and with reference to the same I beg to offer my remarks as under :—

You know that at the outset of the season, Kumpta cotton was sold forward at Rs. 20 to Rs. 30 on Broach rate which was Rs. 285 per candy. You also know that this season American cotton was imported in large quantities in the Bombay market and that it could be advantageously used in place of Indian stapled cotton. Since, from the commencement of the season, the local market began to advance gradually and steadily, the Bombay *padtar* for this Kumpta was found to be about Rs. 40 to Rs. 60 higher than the forward sales actually made in Bombay by the middlemen. So, in fact the cost of Kumpta per candy was not less than Rs. 365. Since the Bombay Millowners began to favour American cotton on account of its cheapness, since genuine Kumpta could not be had here on the level of the Bombay market, and since Tata Mills, Wadia Mills and a few others who are the greatest consumers of genuine Kumpta cotton from a very long time, stopped purchasing it in favour of the American cotton and also the low-priced Kumpta available in the Bombay market on forward business, the local merchants found scope to purchase the high-priced genuine Kumpta and with a view to bring down the high cost, it seems, they took recourse to malpractices such as mixing Dharwar American cotton, low grade cotton, cotton-seed, etc. with genuine Kumpta and watering cotton before pressing. Then the millowners, it is reported, favoured buying such inferior Kumpta and thus the genuine Kumpta had to lose their long-standing favour. All these factors led to deteriorate the quality of Kumpta during this season and I am of opinion that the fall in the quality is not at all attributable to the crop itself. Though the yield was considerably reduced, due to want of timely rains, the quality and staple were not in the least affected. I find that the process of watering cotton before pressing was adopted only during this season. It is learnt that most of the local cotton merchants have taken recourse to water cotton before pressing. They very fact that the millowners though they come to understand daily the mofussil rates for the genuine Kumpta and the approximate *padtar* (Bombay) on them through their representatives and some other sources, and though they find a great difference between the rate offered by the middlemen in Bombay and also the daily quotations given by their representatives for Kumpta, go in for thousands of bales of low-priced Kumpta offered by the middlemen, clearly goes to demonstrate that the millowners get stuff according to their low or high offer with which the mofussil merchants will have

to adjust themselves and that it is a matter of wonder to level blame against the quality of Kumpta which has not really suffered during this season. It is also quite easy to deduce from these facts that the consumers as well as the growers are the real losers in the end while the mofussil merchants make enormous profits. So I beg to suggest that the millowners should extend their kind patronage as before to the genuine Kumpta through their representatives only.

A statement showing the approximate number of Kumpta and saw-gin bales pressed up to date in the Hubli market is enclosed for your kind information.

Copy submitted with respects to the Director of Agriculture, Bombay Presidency, Poona, and the Secretary, Indian Central Cotton Committee, Bombay, for information.

C. S. SHIRAHATTI,
Managing Director.

THE CO-OPERATIVE COTTON SALE SOCIETY, LIMITED, HUBLI STATEMENT.

No. of Kumpta Bales.	No. of Saw-gin Bales.	No. of Upland Bales.	Total.
35,000	5,000	1,000	41,000

Remarks.—The genuine Kumpta kapas that arrived during this season in the Hubli market is 20/25,000 bales whereas the bales pressed and despatched to Bombay under the name of Kumpta are 35,000 which clearly shows the mixture of inferior variety (American Saw-gin) with genuine Kumpta and watering cotton before pressing. This alone has led to deteriorate the quality of Kumpta but really there is no fall whatsoever either in quality or staple or colour. Further, I beg to bring to your kind notice that under the guidance of the Agricultural Department the Hubli Cotton Sale Society was able to cover last year nearly 160,000 acres with genuine Dharwar No. 1 (Kumpta selected) cotton seeds in Shiggaon, Kalghatgi, Haveri and Hubli talukas and Kundgol taluka in Jamkhandi State and the crop in these talukas was fair to good in yield but the quality was not affected in any way.

No. 1618/155 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *5th September*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Cotton Transport Act—Kumpta-Dharwar area.*

I have the honour to acknowledge receipt of your letter No. 7484, dated 22nd July 1927, giving cover to a copy of a letter written by the Managing Director, Co-operative Cotton Sale Society, Ltd., to the Hubli representative of Messrs. Tata Sons, Ltd.

It need hardly be stated that my Committee condemn strongly the malpractices referred to by the Managing Director, Co-operative Cotton Sale Society. At the same time they take strong exception to the statement made by the Director that the Millowners favoured the purchase of inferior cotton. I am directed to point out that this statement is without foundation.

As regards watering of cotton, you are aware that members of this Association have been already informed that the particulars regarding "press marks" of any bale in which excess moisture is found to exist should be passed on to you without delay.—I have, etc.,

J. P. WADIA,
Assistant Secretary.

APPENDIX 37.

RESULT OF THE APPLICATION OF THE COTTON TRANSPORT ACT ON BOMBAY AND MADRAS COTTONS.

No. 8389 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *30th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Improvement in Bombay and Madras Cottons as a result of the application of the Cotton Transport Act.*

In recent years members of the Committee of your Association have been good enough to furnish the Central Cotton Committee with an expression of opinion on the effect of the Cotton Transport Act on the quality of the Surat, Kumpta and Dharwar cottons and on the cottons of the Madras Presidency. My Committee would be grateful of a similar expression of opinion this year and if it could be extended to Northerns, Westerns, Cambodia and Tinnevelly cottons.

I should, however, say that in regard to the Kumpta-Dharwar protected area a number of complaints have reached my Committee and a suggestion has been made that the Cotton Transport Act has not been effective. Statements were made that fly was being mixed with Upland cotton and that various other forms of mixing had taken place. These have been very fully enquired into. As regards the mixing of fly, we have entirely failed to obtain any evidence that fly has been introduced into the area. There is a small quantity of fly produced within the area by the mills at Hubli, Gokak and Kolhapur but these mills have now all given us an assurance that all the fly they produce is used by their own waste spinning plant. There has been a certain amount of mixing of Upland cotton with Kumpta and also of good Kumpta with indifferent Kumpta—the quality of Kumpta has been somewhat variable in different parts of the protected area owing to the nature of the season. This type of mixing the Cotton Transport Act will never prevent and my Committee are considering other means of dealing with this problem since the Cotton Transport Act cannot in any way check the mixing of cottons grown within the same protected area. You are aware, of course, that Bijapur and Bagalkot are excluded from the Kumpta-Dharwar area but form separate protected areas. My Committee would be obliged for any observations which members of your Committee feel able to make.

The Cotton Transport Act has been in force in Madras for nearly two years, the areas protected being (*a*) the Northerns and Westerns area, (*b*) the Cambodia area and (*c*) the Tinnevelly area, and my Committee would be glad to know if any improvement has been introduced in the character of these cottons and particularly of the Northerns cotton which, prior to the introduction of the Act, we understood to be commonly adulterated with Cocanadas cotton.—I have, etc.,

B. C. BURT,
Secretary.

No. 1661/151 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *15th September*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Improvement in Bombay and Madras Cottons as a result of the application of the Cotton Transport Act.*

I have the honour to acknowledge the receipt of your letter No. 8389 of the 30th August and to say in reply that in my Committee's opinion, it is premature to express any views regarding the results of the working of the Cotton Transport Act in different parts of the country. The experience of one season is apt to be belied by that of another and it is my Committee's considered opinion that a test over a number of years is necessary before a correct estimate of the results of the working of the Cotton Transport Act can be made.

Under the circumstances my Committee deem it advisable to refrain from expressing any opinion at this stage, on the effect of the Cotton Transport Act on the quality of different cottons mentioned in your letter.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 38.

WATERING AND OTHER MALPRACTICES IN GINNING AND PRESSING FACTORIES.

No. 5939 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *24th May*, 1927.

THE SECRETARY.
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Watering of Cotton in Central Provinces and Berar, Season* 1926-27.

I am directed to say that the Central Cotton Committee have since November 1926 devoted a good deal of attention to the watering of cotton which has been prevalent this season to an extent which has not been the case for several years. They have addressed the Central Provinces Government and have taken other steps to bring to general notice the fact that such watering damages the cotton, leads to a lowering of the reputation of the cotton of the tract concerned and eventually reacts adversely on the prices received by the grower. My Committee are also issuing shortly a pamphlet describing the effect of watering on the spinning value of cotton.

One of the difficulties in dealing with this matter is that the up-country middleman, or merchant, responsible for the watering frequently does not suffer from the effects of his malpractices as he is able to part with the cotton before any deterioration takes place. My Committee have been informed that Oomras cotton of the current season was unusually free from weather-damage, and naturally should have been of an unusually high class, but the class was lowered as the result of watering and, further, that the prices realized were lower than they would have otherwise been owing to fear of deterioration of the watered cotton during storage.

My Committee have taken steps to encourage full advantage being taken of the Cotton Ginning and Pressing Factories Act to deal with this abuse. As you are aware, however, that Act merely enables buyers to trace unsatisfactory cotton back to press and thence to the owner of the cotton at the time of pressing. It has been suggested that future efforts to discourage the watering of cotton must depend on the attitude adopted by the Bombay cotton trade and by the Indian mills. I am to ask whether your Association, through your members, can assist the Central Cotton Committee in discouraging the practice of watering cotton by giving special attention in future to indications of watering in cotton offered or delivered. My Committee would also like to receive statements of the press marks on bales found to contain watered cotton.—I have, etc.,

B. C. BURT,
Secretary.

No. 6237 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *4th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Watering of Cotton.*

I have the honour to *enclose* six copies of a pamphlet which the Central Cotton Committee have just issued on the watering of cotton. Fifty copies are being sent to you under separate cover for the use of members of your Association. Further copies can be supplied to any of your members who desire to send copies to up-country correspondents if they will apply for them through the Association.—I have, etc.,

B. C. BURT,
Secretary.

INDIAN CENTRAL COTTON COMMITTEE.

THE EFFECT OF WATERING ON COTTON.

Some years ago one of the commonest complaints against Indian cotton was that it was frequently watered at the time of pressing, and this matter was referred to in some detail in the report of the Indian Cotton Committee, 1919. Since that date there has been no very general complaint on this score until the present year, when the practice has been revived—especially in the Central Provinces and Berar. It is true that in many tracts the practice of damping cotton slightly at the time of pressing has never been discontinued, but it is over 5 years since the malpractice of wholesale watering, in such a manner as materially to increase the weight of the bales and seriously to reduce the value of the cotton, has been prevalent. It is hence desirable to explain the harm done when cotton is pressed wet.

2. A Bulletin* issued by the United States Department of Agriculture describes a series of tests conducted by Medows and Blair in 1923, the results of which are of great interest. The primary object of the investigation was to ascertain the effect of compressing cotton to different densities but in two series of tests the effect of added water was also ascertained. In order to secure uniformity two pure strains, namely, " Cleveland Big Boll " of 15/16" staple and " Webber 49 " of 1¼" staple were used. The cottons were put through full spinning tests and the blow-room waste, the card-waste and the strength and uniformity of the yarns recorded. The results are very significant. For " Cleveland Big Boll " cotton it was found that when the bale was pressed wet the visible waste was 8.27 per cent. as compared to 5.98 per cent. obtained from cotton of the same kind, baled to the same density but without wetting; the percentages of total visible and invisible waste were 10.33 and 7.09 respectively. The cottons were spun at three different counts, *viz.*, 16s, 22s and 28s. The results are given in the following table:—

* " Spinning Tests of Cotton Compressed to Different Densities," by William R. Medows and William G. Blair, U.S.A. Department of Agriculture, Bulletin No. 1135, May 19, 1923.

Breaking strength in pounds per skein of 120 *yards of yarn spun from Cleveland Big Boll Cotton,* 15/16 *inch staple.*

No. of yarn.	New Draper Standard.	Twist Multiplier.	Type of bale.			
			Flat.	Standard.	High Density.	High Density wet.
	Pounds.		Pounds.	Pounds.	Pounds.	Pounds.
16s	120	4.25	109.1	101.2	110.3	94.0
		4.50	107.0	102.4	107.5	92.0
		4.75	106.8	102.6	107.5	93.5
		Average ..	107.6	102.1	108.0	93.4
22s	87	4.25	73.3	70.7	74.5	64.7
		4.50	73.0	70.9	74.3	65.7
		4.75	72.7	70.6	73.1	65.0
		Average ..	73.0	70.7	74.0	65.1
28s	69	4.25	54.7	53.2	54.5	47.3
		4.50	53.1	52.7	54.1	48.0
		4.75	52.4	51.9	54.9	48.0
		Average ..	53.4	52.6	54.5	47.8

It will be seen that the wet compressed cotton produced yarns about 12 per cent. weaker than similar cotton compressed dry.

Similar tests were carried out with " Webber 49 " cotton and the cotton from the bale compressed wet gave a visible loss of 24.2 per cent. as compared to 22.63 per cent. for the similar cotton compressed to the same density dry. These cottons were again spun at three different counts; results are given in the following table:—

Breaking strength in pounds per skein of 120 *yards of yarn spun from Webber* 49 *Cotton,* 1¼ *inch staple.*

No. of yarn.	New Draper Standard.	Twist Multiplier.	Type of bale.			
			Flat.	Standard.	High Density.	High Density wet.
	Pounds.		Pounds.	Pounds.	Pounds.	Pounds.
40s	61	4.00	44.2	45.7	46.7	47.0
		4.25	45.3	47.0	46.0	46.0
		4.50	44.2	45.7	45.7	46.2
		Average ..	44.6	46.1	46.1	46.4
50s	48	4.00	35.0	36.5	36.4	34.5
		4.25	35.0	35.3	34.7	33.8
		4.50	34.0	34.7	34.6	33.2
		Average ..	34.7	35.5	35.2	33.8
60s	39	4.00	25.9	26.3	25.8	25.9
		4.25	24.8	25.9	25.5	24.9
		4.50	25.5	25.6	24.8	24.5
		Average ..	25.4	25.9	25.4	25.1

The difference in yarn strength here is hardly appreciable.

In neither sets of tests was any difference found in the regularity of the yarn produced.

The high density bales required for the experiment were prepared in the usual manner by compressing the flat bales from the ginning factory (which have a density of 12 to 15 lbs. per c. ft.) ; the water was applied to the outside of the half-pressed bale before compressing.

The authors' conclusions were stated as follows:—

"All of these tests showed that compressing cotton to standard or high density when in a dry or normal condition is not injurious to its spinning value.

" Compressing wet cotton to high density either increases the percentage of waste or reduces the breaking strength of the yarn, or may do both.

" Compressing cotton into a round bale with a hard core reduces the strength of the yarn about 7 per cent. If the round bale were to be run continuously in a mill, special opening equipment would be required."

Observations on the Fibre.

3. An investigation on the destruction of cotton hairs by micro-organisms was carried out by Denham* at the Shirley Institute (British Cotton Industry Research Association) in 1922. Fleming and Thaysen had published a paper in 1920 on the deterioration of cotton in wet storage and Denham's work shows that micro-organisms of various kinds can attack the cotton hair to a much greater extent than was previously assumed. He specially draws attention to the brittle character of the cotton hairs once the attack has commenced. His results were summed up in the following words:—

"From the above observations it is apparent that serious damage may exist in cotton before any indication of its presence can be detected by the usual tests, and that one or two points of infection may very seriously interfere with the spinning qualities of a hair. It therefore becomes of importance to guard against the possible development of micro-organisms in all stages of manufacture, particularly in those processes, such as conditioning, which involve the addition of moisture to cotton."

Storage Experiments.

4. A further investigation on the bacteriological deterioration of cotton during damp storage was carried out by Burns† at the Cotton Research Board, Cairo, and the results published in 1924. The investigation extended to both unginned cotton (*kapas*) and ginned cotton and is mainly concerned with a consideration of methods of storing cotton to avoid deterioration. A microscopic method of estimating " deterioration " was worked out and successfully applied. The results of the experiment with ginned cotton are most significant. Sun-dried cotton which was stored dry (relative humidity 57 to 63) and occasionally ventilated showed no deterioration after 140 days. Cotton stored under damper conditions (relative humidity 70 to 77) and without preliminary sun-drying or ventilation deteriorated by 2.7 per cent. in 42 days, 4.1 per cent. in 56 days and 9 per cent. in 84 days whilst similar cotton stored at a higher relative humidity (81 to 92) deteriorated 8.6 per cent. in 41 days, 16.5 per cent. in 55 days and 19 per cent. in 84 days. The author's conclusions were that the sun-drying of cotton prior to baling is advantageous and that *damping cotton either before or during baling cannot be recommended.*

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* " Shirley Institute Memoirs," Vol. I—VIII, 1922. Journal of the Textile Institute, 1922, 13-240.

† Journal of the Textile Institute, 1925, 16—T. 185.

PRACTICAL CONSIDERATIONS.

5. The three scientific investigations quoted above confirm the experience of experienced merchants and practical spinners. It is well recognized in Bombay that when cotton has been wetted before or during pressing the "leaf" turns black and the appearance of the cotton is adversely affected, and it is common knowledge that wetted cotton is apt to deteriorate on storage. Another point of practical importance which is not dealt with in the above investigations is that watered cotton becomes " wadded " in the bale and " opens " badly and trouble is experienced in the mill on this account as well as from the actual deterioration of the fibre.

6. The Central Cotton Committee during the past three years has sent a number of bales of Indian stapled cottons for spinning trial in Lancashire. One of the general comments on these trials has been that Indian cottons for export to Europe should be baled as dry as possible and that this is particularly important in view of the high density of the Indian bale.

SUMMARY.

7. Scientific investigation, actual spinning tests and commercial experience all go to show that the watering of cotton is harmful being definitely prejudicial to its keeping and spinning qualities. The microscopic study of the cotton fibre indicates that even slight damping is harmful and should be avoided. The Central Cotton Committee desire to bring these facts to general notice, for, if the intrinsic value of Indian cotton is reduced by faulty handling or by malpractices the inevitable result is a general economic loss to the country and also lower prices to the cotton grower.

No. 1325/107 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

TO ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

I am directed to give below for your information a copy of a letter*, dated 24th May 1927, from the Indian Central Cotton Committee on the subject of watering of cotton and to request you to inform the Central Cotton Committee of the particulars regarding the "press marks" of any bales in which excess moisture is found to exist.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1330/107 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Watering of Cotton in Central Provinces and Berar, Season* 1926-27.

With reference to your letter No. 5939, dated 24th May 1927, I have the honour to inform you that a copy thereof has been forwarded to all members with a recommendation to inform you of the particulars regarding the "press marks" of any bales in which excess moisture is found to exist.—I have, etc.,

T. MALONEY,
Secretary.

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* Already printed

No. 28 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *1st September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Watering of Cotton in Central Provinces and Berar, Season* 1926-27.

I have the honour to invite reference to your letter No. 1330/107, dated the 26th of July 1927, and this office reminder No. 8008, dated the 10th of August 1927, and to state that I have as yet received no communication on the above subject from any of your members.

I should be obliged if you will again give this matter your attention.—I have, etc.,

J. RITCHIE,
Deputy Secretary.

No. 1617/107 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *5th September*, 1927.

ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

I beg to invite your attention to this office circular No. 1325/107, dated 26th July 1927, forwarding a copy of a letter received from the Secretary, Indian Central Cotton Committee, on the subject of watering of cotton.

2. You were requested to inform the Secretary, Central Cotton Committee, of the particulars regarding the "press marks" of any bales in which excess moisture was found to exist.

3. The Secretary, Central Cotton Committee, has addressed another letter to the Association stating that he has so far received no communication from the members of the Association on this subject.

4. In order that the practice of watering cotton might be discouraged as much as possible, will you kindly see that in the case of all bales found to contain watered cotton the particulars of the press marks are forthwith communicated to the Secretary, Central Cotton Committee, without fail to enable him to make the necessary investigations.—Yours, etc.,

J. P. WADIA,
Assistant Secretary.

No. 1623/107 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *6th September*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Watering of Cotton in Central Provinces and Berar, Season* 1926-27.

With reference to your letter No. 28, dated 1st September 1927, on the above subject, I have the honour to state that I have again addressed a circular letter to the members of

this Association requesting them to inform you of the particulars regarding the "press marks" of any bales in which excess moisture is found to exist.

A copy of the circular letter is enclosed herewith for your information.—I have, etc.,

J. P. WADIA,
Assistant Secretary.

No. 1704 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *24th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Measures to be Adopted to Discourage Mixing, Watering, Excessive Seed and similar Malpractices in Cotton Ginning and Pressing Factories.*

My Committee have received information that, despite the steps taken last year to draw attention to the economic loss caused by the watering of cotton, this practice has again started this year and we are informed that it is prevalent in Dhulia, Paroli, Akola, Khamgaon, Shegaon and Malkapur and that a little watering has been reported from Etawah, Amritsar and Kasur. The Central Cotton Committee at their next meeting will discuss the possibility of further measures to deal with this and similar malpractices. In the meantime they consider that all possible action should be taken by organized cotton trade associations to check this malpractice and that the fullest possible use should be made of the existing legislation. My Committee have addressed the East India Cotton Association, suggesting:—

(1) that when cotton is rejected on appeal for watering or false packing (the latter includes excessive seed) the penalty provided in the by-laws should always be enforced by the Board;

(2) that when cotton is rejected on account of mixing it should *either* be declared "not a fair tender" and the penalty enforced *or* a full allowance fixed. The Sub-Committee pointed out that an allowance justifying rejection may be as low as Rs. 7-8-0 per candy whereas the true difference in value between the inferior cotton rejected and the standard may be Rs. 25 per candy or more;

(3) subsequently, the further suggestion was made that the numbers and press marks on all bales declared "not a fair tender" on account of malpractices should be posted on the notice-board and that bales so 'posted' should not be re-tenderable against either a hedge or delivery contract.

These proposals are at present under the consideration of the Board of the Association.

It has been constantly urged before my Committee that a great deal could be done to check abuses of this nature if the Central Cotton Committee received stronger support from buyers as was explained in my letter No. 5939, dated the 24th of May 1927. I am to ask if the Committee of your Association can support the Central Cotton Committee in this matter. It is requested that this letter may be treated as confidential and for members of the Committee of your Association only.—I have, etc.,

B. C. BURT,
Secretary.

No. 2386/107 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *6th December*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Measures to be Adopted to Discourage Mixing, Watering, Excessive Seed and similar Malpractices in Cotton Ginning and Pressing Factories.*

I have the honour to acknowledge receipt of your letter No. 1704 of the 24th ultimo regarding the steps your Committee propose to take to check the watering of cotton and similar malpractices in cotton ginning and pressing factories.

2. My Committee note that your Committee are in consultation with the East India Cotton Association as to the advisability of adopting certain measures to check these abuses, and they will be glad if you will kindly advise them in due course of the conclusions reached by your Committee and the East India Cotton Association. Any proposals which your Committee and the East India Cotton Association think worthy of adoption will be very carefully and sympathetically considered by my Committee.

3. As regards the concluding para of your letter, you are aware that a copy of your letter of 24th May 1927 was forwarded to all members of this Association on 26th July 1927, and they were requested to inform you of the particulars regarding the "press marks" of any bales in which excess moisture was found to exist. Another circular letter was addressed to all members to the same effect on 5th September 1927, and, in view of the importance of the matter, my Committee have decided to write once again to all members to inform you without fail of the press marks of the bales containing an excess of moisture.—I have, etc.,

T. MALONEY,
Secretary

APPENDIX 39.

IMPORT DUTY ON MILL STORES.

No. 1290/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *22nd July*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE, SIMLA.

SIR,

REFERENCE :—*Interview with the Hon'ble Sir George Rainy.*

As you are doubtless aware, from the correspondence which has recently passed between the Association and the Government of India, and from the discussions which have taken place with Sir George Rainy and yourself in Simla and Bombay, my Committee have been giving very detailed consideration to the question of the duties on cotton textile mill stores and machinery after October 1st, 1927.

2. In paragraphs 11 and 12 of the Government of India Resolution No. 341-T, dated 7th June 1927, reference is made to the recommendation of the Fiscal Commission that the import duty on machinery and on the materials of the industry should be removed, and also to the resolution adopted by the Legislative Assembly on 16th February 1923, which stated that the fiscal policy of the Government of India might legitimately be directed towards fostering the development of industries in India. Thereafter the Government resolution goes on to state that in giving effect to this principle, as revenue considerations permit, precedence would be given to articles used chiefly by industries passing through a period of depression but that Government would be unwilling to allow one industry to import free of duty articles on which other industries have to pay duty. The resolution then goes on to state that it is upon these lines that the Government of India proposed to deal with the recommendations of the Textile Tariff Board regarding the remission of the import duty on mill stores and machinery. My Committee have given this matter very careful consideration and agree to the principles laid down by the Government of India for arriving at a decision as to which articles should be allowed to be imported free of duty after October 1st, 1927. My Committee, however, wish to suggest to the Government of India, for their very earnest consideration, several additions to the list of mill stores named in Government resolution No. 341-T, dated 7th June which, in their opinion, should be admitted free of duty, together with the most important reasons which may be urged for their inclusion.

3. *Bobbins and Pirns.*—Bobbins and pirns for power-driven cotton textile machinery. As explained in correspondence with your Department, the Central Board of Revenue and the Customs Authorities, Bombay, and of which you have copies, the duty on bobbins and pirns has recently been raised from 2½ to 15 per cent. by assessing them under item 93 of the Tariff Schedule, i.e., " furniture, cabinet-ware and all other manufactures of wood not otherwise specified." Until the end of May 1927, bobbins and pirns for power-driven textile machinery were assessed under item 51-A, i.e., " component parts of machinery," and paid duty at the rate of 2½ per cent.

My Committee now understand that a strict interpretation of the Tariff Notifications and Rules does not permit the importation of bobbins and pirns under either item 51-A or 51-B. At the interview which the Hon'ble Commerce Member and you were good enough to accord to the representatives of the cotton textile industry recently, it was stated that a notification was under immediate consideration exempting from duty in excess of 2½ per cent. bobbins and pirns used only in connection with power machinery. While this assurance is satisfactory as far as it goes, my Committee wish to point out that unless bobbins and pirns are assessed under item 51-A or 51-B of the Statutory Schedule it is quite possible that they will not be admitted free of duty after 1st October. My Committee maintain that the non-inclusion of bobbins and pirns on the free list would be an unwarranted breach of the principles enunciated in the Government of India resolution and referred to in an earlier paragraph of this letter. They constitute a very important item in the industry's annual expenditure on component parts of machinery, cannot be used for any other purpose, are easily distinguishable from other types of bobbins and pirns and are not at present being manufactured in India and, moreover, there is no likelihood of their being economically produced in India in the future for reasons adduced at the interview in Simla.

My Committee trust that for these reasons the Government of India will take steps to ensure that bobbins and pirns should be admitted free of import duty after 1st October and at the same time wish to urge that a refund should be allowed in the case of consignments on which a higher duty than 2½ per cent. has recently been paid.

4. *Napthol AS.*—As in the case of bobbins and pirns, a special case for the free importation of Napthol AS after 1st October 1927 has to be made out, owing to a change which has recently been made in the heading of the Statutory Schedule under which it is assessed.

Until recently it was assessed for duty as an aniline dye, but on the advice of the Chemical Adviser to the Government of India is now assessed as an aniline salt. This change in the assessment has not only greatly increased the present duty payable but will exclude it from the list of dyes which will be imported free of duty after 1st October 1927. At the interview at Simla, it was admitted that the exclusion of this important dyestuff from the

free list after October 1st would not be in accord with the principles laid down in Government resolution, and that the Chemical Adviser to Government would be consulted regarding the framing of a special item in the Tariff Schedule which would permit the free importation of all the most important cotton dyestuffs and chemicals, such as aniline salts, which do not fulfil the requirements of the present definition of coal-tar dyestuffs.

Since the deputation's return to Bombay the more important dye stuffs manufacturers have been consulted on this point and it is their considered opinion that the present difficulty could be overcome if the following new heading was inserted in the Tariff Schedule and in the list of articles on which no duty would be levied after October 1st :—

Napthol Dyes and the bases and salts required for their development and fixation.

5. My Committee wish to impress upon the Government of India the need for encouraging the use of napthol colours in the interests of the development of the coloured goods trade. Napthol colours are brighter and faster than many aniline colours, and their greater use is eminently desirable ; moreover it was never intended by the Tariff Board that they should be omitted from the list of stores which it was in the interests of the industry to admit duty free. The same arguments apply in regard to the bases and salts which are necessary for the development and fixation of napthol colours, none of which can be used for any other purpose and all of which are readily distinguished.

6. *Hydrosulphite.*—Hydrosulphite is a very important reducing agent which must be used in the preparation of fast to bleaching shades. At present it is assessed for duty at the rate of 15 per cent. *ad valorem.* In the opinion of my Committee it should certainly be included in the free list after 1st October 1927. For some time the industry has been making considerable progress in the production of coloured goods, and it would be in the interests of the country to encourage the industry to produce greater quantities of fast to bleaching shades to compete against the better qualities of coloured goods imported from abroad. The inclusion of hydrosulphite in the free list would assist this development.

7. *Zinc Chloride.*—This substance is used as an antiseptic in all size mixings as a preventive against mildew. Enquiries go to prove that zinc chloride is no longer being made by the chemical industry in India, and that the removal of the duty would not affect their interests. If revenue considerations permit it should be admitted free of duty after 1st October.

8. *Roller Cloth, Clearer Cloth and Sizing Flannel.*—These three cloths are specially prepared for use in the cotton textile industry and their use is essential for the production of a regular and even yarn. They are not manufactured in India. Their high cost prevents their being used for any other purposes than those for which they are manufactured, and makes them readily distinguishable from other woollen cloths.

The loss in revenue which free importation would cause is comparatively small, and my Committee maintain that there is an excellent case for allowing them to be imported free in the interests of the cotton textile industry.

9. *Roller Skins.*—The case for free importation rests on the facts that they cannot be used economically for any other purpose owing to their special tonnage and their relatively high cost. The use of the best quality skins would be encouraged by free importation to the benefit of the quality of yarn produced in Indian mills. They are readily distinguishable from other skins and hides, but if it would assist the case for free importation they could be imported cut to special sizes which would absolutely prevent their being used for other purposes, and make identification still more easy.

10. *Picking Sticks.*—My Committee maintain that there is no adequate justification for the omission of picking sticks from the special list of component parts of machinery specified in item 51-B of the Tariff Schedule and that they should be included under item 51-B as from October 1st to ensure free importation. They are easily identified and could not economically be used for any other purpose.

11. *Soda Ash and Sodium Sulphide.*—These substances are used to a considerable extent in cotton textile mills. Enquiries show that they are not being manufactured in India and as the loss in revenue by the abolition of the present duty would be small, these substances might be included in the free list of imports from October 1st.

12. *Miscellaneous Stores, Accessories and Instruments.*—Under the heading of miscellaneous stores my Committee desire to press particularly for the inclusion of Gum Tragon in the list of stores which will be admitted free of duty after October 1st.

Gum Tragon is a patented product and is used as an 'adhesive' in size mixings. It is rapidly growing in popularity, is not used for any other purpose and cannot be manufactured in India. The loss of revenue which would follow the abolition of the duty would be small.

13. As indicated during the interview at Simla on the morning of the 12th instant, my Committee wish to press for the inclusion of a number of the more important springs of special shape, and readily distinguishable in the free list. Samples of these are being collected and will be sent to you along with a special representation in the course of a day or two; similarly, a special case is also being prepared regarding the instruments and textile accessories for which exemption from import duty is specially desired.—I have, etc.,

T. MALONEY,
Secretary.

No. 1338/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

SUBJECT:—*Import Duty on Mill Stores.*

I am directed to refer you to the last paragraph of my letter No. 1290/127, dated 22nd July 1927, where it was stated that a special representation was being prepared regarding the instruments and textile accessories for which exemption from import duty is specially desired. The importers of textile testing apparatus and the leading mill agents have now been consulted in this matter, and I forward herewith for the consideration of the Government of India a list of the textile instruments and accessories for which the Association desire to obtain the privilege of free importation.

2. A fairly detailed description of each of the articles referred to in the list is given in the accompanying trade catalogues,* and from a perusal of these descriptions it will be recognized that the instruments described could not be used economically for any purpose other than that for which they are designed.

3. It is true that they do not strictly comply with the definition of machinery or component parts of machinery as laid down in the Import Tariff Schedule but it is thought that it might be possible to include them under item 51-B of the Tariff Schedule which already contains a number of articles which would be assessed to duty at 15 per cent. had they not been specifically mentioned in item 51-B. The case for exemption of every article mentioned in the list is strengthened if the principle enunciated in the Government of India's letter No. 341-T, dated 7th June 1927, is applied.

* Not printed.

4. The articles mentioned in the list are used solely by the cotton textile industry; many of them are absolutely essential to the industry; few, if any, of them could be used for other purposes; they can all be readily distinguished; as far as can be ascertained they are not manufactured in India and the loss in revenue which the Government of India would suffer by exempting them from import duty would be comparatively small. After taking these facts into consideration my Committee trust that there will be no difficulty in Government agreeing to their duty-free importation after October 1st.

5. The representation referred to in my letter of the 22nd instant regarding springs of special shape used in the textile industry will be forwarded at the very earliest opportunity.—I have, etc.,

T. MALONEY,
Secretary.

List of Accessories and Instruments used exclusively in the Cotton Textile Industry.

Wrap Reels	For description *see* pages			8-18	—Goodbrand's		Catalogue.	
Wrap Blocks	,,	,,	,,	19-20	,,		,,	
Hank Stands	,,	,,	,,	21-22	,,		,,	
Yarn Examining Machines ..	,,	,,	,,	24-27	,,		,,	
Yarn Testing Machines—strength and stretch	,,	,,	,,	28-42	,,		,,	
Do. do. twist ..	,,	,,	,,	44-46	,,		,,	
Yarn Quadrant Balances	,,	,,	,,	52-58	,,		,,	
Cotton Testing Ovens	,,	,,	,,	73-75	,,		,,	
Cloth Testing Machines ..	,,	,,	,,	76-82	,,		,,	
Yarn Bundling Presses	,,	,,	,,	83	,,		,,	
Ring Spindle Oilers and Extractors.	,,	,,	,,	17	—Cook & Co.'s		,,	
Winders' and Weavers' Knotters ..	,,	,,	,,	21-23	,,		,,	
Roller Setters	,,	,,	,,	27	,,		,,	
Sample Cutting Machines	,,	,,	,,	1-5	—Sample Cutting Machine Catalogue.			
Shuttle Trimmers	,,	,,	,,	Cook & Co.'s Leaflet.				

APPENDIX 40.

IMPORT DUTY ON MILL STORES—NAPTHOL AS.

HAVERO TRADING CO., LTD.,
BOMBAY, *16th June*, 1927.

THE CHAIRMAN,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Re. *Import Duty on Napthols AS.*

We beg to approach you in a matter which materially affects the interests of the members of your Association:—

1. Some time ago, the Collectors of Customs, Madras and Calcutta, decided to classify the series of dyes known as "Naphtol AS" as "chemicals," and no longer—as had been the practice for many years past with the Collector of Bombay—as "aniline dye dry," with the result that, the import duty on this important group of dyes was raised from 5 *annas* 2 *pies per lb. to* 7 *annas* 9 *pies and* 13 *annas* 1 *pie per lb.*

2. We protested against the order of the Collector, Madras (and Calcutta) to the Central Board of Revenue, Simla. (*See* enclosure* No. 1.)

3. The Central Board, however, rejected our appeal. (*Vide* enclosure* No. 2.)

4. A fresh appeal has been made by us to the Central Board a few days ago. (*See* enclosure* No. 3.)

5. We understand that, in the list of " chemicals " which may be imported free of duty after the 1st of October, Napthols AS are not included. It goes without saying that Napthols are, by far, the most important " chemicals " the mill industry is using, and its omission from the Free List is very probably due to the fact that, at the time this list was being prepared, it was not known that the Central Board had decided to treat these dyes in future as chemicals. It amounts to this: if the action of the Central Board is allowed to stand, the Government's intention to give the mill industry assistance in the matter of dyes and chemicals will, to a large extent, be nullified.

6. If the Board had upheld the Bombay practice and left matters alone, Napthols AS would automatically have come under the heading " dyes," and would not pay any duty after 1st of October 1927. As Napthols AS are now to be tariffed as " chemicals," there is every likelihoqd that their importance to the mill industry will be overlooked, with the nett result that *these dyes will not only not benefit of the remission of duty, but will have to pay more than double of the duty hitherto levied.*

7. We need not inform you that, important as Napthols are already now to the mill industry, their importance will be increased manifold within a short time. It is inconsistent to free such relatively unimportant items as Chlormagnesium and Bleaching Powder, and to penalize at the same time highly priced goods, such as Napthols.

8. It would, therefore, be greatly in the interest of your Association—

(*a*) either to get Napthols declared as a " chemical " important to the mill industry to be put on the duty-free list, the same as Magnesium Chloride or Bleaching Powder, or

(*b*) to get Napthols and their respective salts and bases re-classified as " aniline dyes," whereby the duty will be automatically remitted.

We shall thank you if you will kindly place this letter before your Committee, and if you will let us know what action, if any, your Association is prepared to take in support of our second appeal to the Cental Board of Revenue.—We are, etc.,

HAVERO TRADING CO., LTD.

No. 1148/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *4th July*, 1927.

MESSRS. HAVERO TRADING CO., LTD.,
BOMBAY.

DEAR SIRS,

Re. *Import Duty on Napthols AS.*

I write to thank you for your letter of the 16th instant on the above subject and enclose herewith a copy of the representation made by this Association to the Board of Revenue.

You will be interested to know that a deputation of millowners is going to interview His Excellency the Viceroy next week, and opportunity will probably be taken to interview the Board of Revenue in connection with this matter.—Yours, etc.,

T. MALONEY,
Secretary.

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* Not printed.

No. 1143/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *2nd July*, 1927.

THE SECRETARY,
THE CENTRAL BOARD OF REVENUE, SIMLA.

SIR,

I have the honour to address you regarding the recent decision of the Board of Revenue to assess " Napthol AS " as " aniline salts " instead of " aniline dyes dry " as hitherto.

2. It is my Committee's considered opinion that there was no real justification for this decision which is not only calculated to penalize the industry unjustly by making it pay more than double the duty on this commodity than it has been hitherto paying, but which is in contravention of the spirit of the policy laid down in paras 11 and 12 of the Government of India's recent resolution on the report of the Special Tariff Board.

3. The Government of India have decided to abolish the import duty on aniline and alizarine dyes from 1st October 1927 and in accordance with this decision " Napthol AS " would have been made duty-free from 1st October since this dyestuff till recently was assessed as an " aniline dye." In view of the Board's decision, the mill industry will not have the benefit of the remission, but on the contrary will have to pay a higher duty on " Napthol AS."

4. It is not proposed in this letter to discuss the technical question whether " Napthol AS " is a chemical or a dye. " Napthol AS " serves one commercial purpose only, namely, the dyeing of cotton textile fibres, while on the other hand chemicals classified under item 88 are used for a variety of purposes. It is therefore submitted that " Napthol AS " should be treated as a dyestuff as hitherto and not as a chemical as recently decided by the Board of Revenue.

5. My Committee trust that in view of what is stated above and in view of the policy outlined by the Government of India in paras 11 and 12 of their resolution on the Tariff Board's report, the Board of Revenue will recognize the unjust and inequitable nature of their decision and will issue immediate orders for the assessment of " Napthol AS " as an " aniline dye " and for the requisite refund to those importers who have been charged at the higher rate.

6. In conclusion, my Committee earnestly hope that the Board of Revenue will give due consideration to the present extremely depressed state of the cotton textile industry of the country and will do everything in their power to minimise the burden imposed on the industry.

The Board is doubtless aware that "Napthol AS " is used in large quantities by cotton mills, and if a commodity like this is to be taxed, then the benefit that is expected to accrue from the abolition of import duty on chemicals and other stores will be minimised to a great extent. In any case an increase in the duty under present circumstances is calculated to operate most unfairly on the industry and my Committee are confident that the Board of Revenue, on careful consideration, will rescind their recent decision and will allow " Napthol AS " to be treated as an aniline dye, or will give it a special heading in the Tariff Schedule so as to avoid the possibility of its being assessed to any import duty after the 1st of October.—I have, etc.,

T. MALONEY,
Secretary.

C. No. 770-Cus./27.

CENTRAL BOARD OF REVENUE,
SIMLA, *7th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Dyes—Napthol AS.—Assessment of. Your letter No. 1143/127, *dated 2nd July*, 1927.

I am directed to acknowledge the receipt of your letter quoted above and to say that a further communication will be made to you in due course.—I have, etc.,

(Sd.) Illegible,
For Secretary, Central Board of Revenue,

R. Dis. No. 770-Cus./27.

CENTRAL BOARD OF REVENUE,
SIMLA, *20th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Dyes—Napthol AS.—Assessment of. Your letter No. 1143/127, *dated 2nd July*, 1927.

With reference to the letter quoted above, I am directed to say that the Central Board of Revenue has given the matter its careful consideration but it regrets that it cannot see its way to reconsider the ruling already given by it in the matter. At the instance of an aggrieved party the Government of India have considered the Board's ruling and confirmed it. The Board's function, and that of the Government of India when exercising their revisional powers, is to interpret the law as it stands; and your representation can only be treated as a suggestion for the amendment of the law. That suggestion has been placed before the Government of India for their consideration.—I have, etc.,

V. S. SUNDARAM,
Secretary, Central Board of Revenue.

APPENDIX 41.

IMPORT DUTY ON MILL STORES,—ASSESSMENT OF BOBBINS AND PIRNS.

No. 1047/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *22nd June*, 1927.

THE ASSISTANT COLLECTOR OF CUSTOMS,
APPRAISING DEPARTMENT, BOMBAY.

SIR,

SUBJECT:—*Bobbins and Pirns.*

On 15th January 1927, the Association addressed a letter to the Collector of Customs, inquiring whether bobbins and pirns were assessed at 2½ per cent or 15 per cent.

2. On 20th January 1927, you sent a reply stating that bobbins and pirns that were exclusively used for power-driven machinery were assessed to duty at 2½ per cent *ad valorem* under item 51-A of the Statutory Schedule, but bobbins which could be used only with hand-driven machinery were assessable to duty at 15 per cent *ad valorem*, as they were not included in item 51-B of the schedule.

3. In view of your letter of the 20th January 1927, my Committee are much surprised to learn that bobbins and pirns imported by cotton mills are now assessed at 15 per cent *ad valorem*, and on inquiry they understand that the reason for this is that bobbins and pirns are to be assessed under item No. 93 as "other manufactures of wood not otherwise specified."

4. I am directed to point out that bobbins and pirns imported by cotton mills have been always assessed under item No. 51-A of the Statutory Schedule as "component parts of machinery, as defined in No. 87, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose."

5. It is true that the Government of India, Finance Department (Central Revenue). Notification No. 12, dated 6th May 1926, lays down that bobbins and pirns are not to be treated as "component parts" assessable at 2½ per cent, but I am to point out that this notification pertains to component parts of textile machinery and apparatus by whatever power operated and specified under item 51-B. This notification, therefore, cannot affect the procedure hitherto followed in assessing bobbins and pirns imported by cotton mills at 2½ per cent, since these articles fulfil the above-quoted definition of component parts of machinery under item No. 51-A of the Statutory Schedule.

6. It appears that bobbins and pirns imported by cotton mills are now wrongly assessed at 15 per cent owing to the misreading of the notification of 6th May 1926, and I am, therefore, directed to draw your very particular attention to your letter of 20th January 1927, and to state that for reasons specified therein, bobbins and pirns imported by cotton mills should be assessed at 2½ per cent as hitherto, and not at 15 per cent.

7. Under the above circumstances, my Committee request that the decision of your department to assess bobbins and pirns imported by mills at 15 per cent be reconsidered and these articles be assessed at 2½ per cent as hitherto. I am further directed to state that mills which have already paid duty on these articles at the higher rate should be granted a refund equivalent to the amount paid by them in excess of the amount they would have paid if the goods had been assessed at 2½ per cent as hitherto.

8. It is hardly necessary in this letter to refer to the present very depressed condition of the cotton mill industry of the country and the necessity of giving all possible relief to the industry as emphasized by the Tariff Board. The Government of India have decided to abolish the import duty on mill stores from 1st October 1927, and, under such circumstances, the action of your department in assessing bobbins and pirns at 15 per cent is most unfortunate, and my Committee trust the request made in this letter will be very promptly complied with.

9. The favour of an early reply to this letter will be appreciated.—I have, etc.,

T. MALONEY,
Secretary.

S. R. No. 3309 of 1927.

NEW CUSTOM HOUSE,
BOMBAY, *24th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Bobbins and Pirns—Assessment of—. Your letter No.* 1047/127, *dated 22nd June* 1927, *to the Assistant Collector of Customs.*

In reply to your letter above cited, I have the honour to state that I have recently been in correspondence with another Custom House regarding the proper assessment of bobbins and pirns, and have reluctantly come to the conclusion that bobbins and pirns, as the law stands at present, are assessable at 15 per cent, and that my former view was incorrect. As, however, I doubt it whether it was the intention of the Legislature that bobbins,

which are clearly recognizable as component parts of power machinery, should pay duty at 15 per cent, I made an immediate reference to the Central Board of Revenue, whose orders are awaited and will be communicated to you on receipt.

2. The position is in one way more serious than you realize. If it be now held that bobbins and pirns are not assessable under items 87, 88, or 88-A of the Tariff Valuation Schedule, corresponding with items 51, 51-A and 51-B of the Statutory Tariff, they will still be assessable at 15 per cent if the legislation contemplated by the Government of India takes place, inasmuch as the Government of India have only expressed their intention of remitting the duty on these three items of the Tariff.—I have, etc.,

A. M. GREEN,
Collector of Customs.

No. 1103/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *27th June*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

It has been brought to the notice of my Committee that bobbins and pirns imported by cotton mills which were hitherto assessed at 2½ per cent. *ad valorem* are now assessed at 15 per cent. *ad valorem*.

2. Government are doubtless aware that bobbins and pirns are among the most important and extensively used commodities in the cotton mill industry, and the unjustifiable enhancement of duty on these articles is calculated to nullify to a considerable extent the slight relief Government propose to give to the industry from 1st October by abolishing the duty on machinery and certain stores used by cotton mills.

3. Under Government of India, Finance Department (Central Revenues), Notification No. 12, dated the 6th May 1926, component parts, other than bobbins and pirns, of any machinery or apparatus specified in item No. 51-B are liable to duty at 2½ per cent. *ad valorem*, provided that such parts are essential for the working of such machinery or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.

4. My Committee felt that there was some likelihood of the above notification being misconstrued as implying that bobbins and pirns imported for use in cotton mills should be assessed at 15 per cent., and they, therefore, took up this matter with the Assistant Collector of Customs who, in his reply dated 20th January 1927, stated that bobbins and pirns that were exclusively used for power-driven machinery were assessed to duty at 2½ per cent. *ad valorem*, under item 51-A of the Statutory Schedule, while bobbins which could be used only with hand-driven machinery were assessable to duty at 15 per cent. *ad valorem* as they were not included in item 51-B of the said schedule.

5. My Committee submit that the procedure hitherto followed and explained in the abovementioned letter from the Assistant Collector of Customs was fair and equitable and the recent enhancement of the duty on bobbins and pirns used by cotton mills to 15 per cent. is in contravention of the letter and the spirit of the Tariff enactments of the Government of India. Bobbins and pirns have been correctly assessed under item No. 51-A of the Statutory Schedule as "component parts of machinery, as defined in No. 87, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose."

There can be no doubt that bobbins and pirns fulfil the above definition of component parts of machinery under item 51-A and therefore they should be assessed at 2½ per cent. as hitherto. I am directed to request that Government may be pleased to issue immediate

orders for the assessment of bobbins and pirns imported by cotton mills at 2½ per cent. as hitherto, instead of at 15 per cent. and to grant to those mills which have already paid duty on these articles at the higher rate, of a refund equivalent to the amount paid by them in excess of the amount they would have paid if the goods had been assessed at 2½ per cent. as hitherto.

6. The Tariff Board have recommended the abolition of the import duty on mill stores. The Government of India have decided to abolish the import duty on certain mill stores from 1st October 1927, but several important articles used in the cotton mill industry are not included in the list, and, in my Committee's opinion, the list should be considerably extended. They hope to address Government on this subject at a later date, but wish to press for the immediate cancellation of the order under which the import duty on bobbins and pirns for use on power-driven cotton textile machinery was raised from 2½ per cent. to 15 per cent., which, my Committee maintain, was not only unjustifiable for the reasons previously given, but which, if persisted in, would practically nullify the effect of the abolition of the duties on certain other classes of mill stores.—I have, etc.,

T. MALONEY,
Secretary.

No. 1145/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *2nd July*, 1927.

THE SECRETARY,
CENTRAL BOARD OF REVENUE, SIMLA.

SIR,

I am directed to enclose herewith two representations* which the Association has recently made to the Assistant Collector of Customs, Bombay, and to the Government of India in the Commerce Department, protesting against increase in the rate of assessment of bobbins and pirns for use in cotton mills from 2½ to 15 per cent. The Association maintain that the procedure adopted hitherto of assessing bobbins and pirns under item 51-A of the Tariff Schedule was entirely correct, inasmuch as bobbins and pirns used in cotton textile mills strictly comply with the definition of component parts of machinery set forth in that item.

2. It is understood that bobbins and pirns will in future be assessed for duty under item 93 of the Tariff Schedule, but my Association maintain that there is no justification for such a course which would be contrary to the principle enunciated last January by the Collector of Customs, Bombay, and utterly opposed to the spirit of the policy laid down in paragraphs 11 and 12 of the Resolution of the Government of India. (No. 341-T (27)-Tariffs, dated 7th June, 1927.)

3. It may be added that under the Finance Bill of 1924, bobbins and pirns were to be made duty-free, but the Legislative Assembly refused to consider the Bill on its merits and threw it out on political grounds. Thus, Government have recognized the advisability of abolishing the duty on bobbins and pirns, and it is unfortunate that at a time when the industry is in an extremely depressed condition, an attempt should have been made to increase the rate of duty on these articles.

4. The Association is convinced that the Central Board of Revenue will appreciate the unfairness of the recent decision and trust that in order to relieve the dislocation which has resulted from the increase in the assessment, immediate orders will be issued for the assessment of bobbins and pirns imported by cotton mills at 2½ per cent. as hitherto instead of at 15 per cent., and to grant to those mills which have already paid duty on these articles at the higher rate a refund equivalent to the amount paid by them in excess of the amount they would have paid if the goods had been assessed at 2½ per cent.—I have, etc.,

T. MALONEY,
Secretary.

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* Already printed.

C. No. 710/Cus./27.

CENTRAL BOARD OF REVENUE,
SIMLA, *8th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Bobbins and Pirns—Assessment.—Your letter No. 1145/127, *dated the 2nd July*, 1927.

I am directed to acknowledge receipt of the letter quoted above.—I have, etc.,

(*Sd.*) Illegible,
For *Secretary, Central Board of Revenue.*

C. No. 710/Cus./27.

CENTRAL BOARD OF REVENUE,
SIMLA, *22nd July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Bobbins and Pirns—Assessment.—Your letter No. 1145/127, *dated the 2nd July* 1927.

In reply to your letter quoted above, I am directed to point out that the change in the assessment of bobbins and pirns to which you refer resulted from the discovery that the literal meaning of the Tariff excluded all bobbins and pirns from item 51-B of the Tariff, and not such bobbins and pirns only as would have failed to satisfy the definition of component parts of machinery—item 51-A—if that item had not been made inapplicable by the fact that item 51-B is mentioned in the preamble to item 51. I am to draw your attention to Finance Department (Central Revenues) Notification No. 61, dated the 16th July 1927, which has restored the position that existed before the above-mentioned effect of the wording of the Tariff was brought to notice.

2. The Government of India have been asked to consider, when next the Tariff is amended with regard to these items, whether any distinction should be drawn between bobbins and pirns that are exclusively used with power-driven machinery and other bobbins and pirns.—I have, etc.,

V. S. SUNDARAM,
Secretary, Central Board of Revenue.

No. 1311/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *25th July*, 1927.

TO ALL MEMBERS OF THE
BOMBAY MILLOWNERS' ASSOCIATION.

DEAR SIRS,

Members are aware that for some time past bobbins and pirns are assessed at 15 per cent. instead of 2½ per cent. The Association took up this matter with the authorities, with the result that on the 16th instant, the Government of India in the Finance Department (Central Revenues) issued a notification as below :—

" In exercise of the powers conferred by Section 23 of the Sea Customs Act, 1878 (VIII of 1878), the Governor-General in Council is pleased to direct that the following amendment shall be made in the notification of the Government of India in the Finance Department (Central Revenues), No. 12-Customs, dated the 6th May, 1926 (published in the *Indian Trade Journal*, dated the 13th May, 1926, page 251), namely :—

" For the words ' other than bobbins and pirns ' the words ' other than such bobbins and pirns as are so designed that they can be used in looms operated by manual or animal labour ' shall be substituted."

Under the above notification, bobbins and pirns will now be assessed at 2½ per cent. Mills which have paid the higher duty are advised to request the importing firms through whom they made their purchases to obtain refunds for them from the Customs authorities.

It may be added that the Association is trying its best to get bobbins and pirns included in the list of mill stores which are to be imported free of duty from 1st October.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1429/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *5th August*, 1927.

THE SECRETARY,
THE CENTRAL BOARD OF REVENUE, SIMLA.

SIR,

Assessment of Bobbins.

I have the honour to acknowledge, with thanks, the receipt of your letter No. 710-Cus/27, dated the 22nd July 1927, in which you explain how bobbins and pirns came to be assessed at 15 per cent. instead of 2½ per cent., and draw the Association's attention to Finance Department (Central Revenues) Notification No. 61, dated 16th July 1927, under which bobbin and pirns are again being assessed at 2½ per cent.

2. I am now directed to invite your attention to the concluding sentence of the Association's letter No. 1145/127, dated 2nd July 1927, and to request that orders may kindly be issued as early as possible for the grant to those importers who have already paid duty on bobbins and pirns at the higher rate a refund equivalent to the amount paid by them in excess of the amount they would have paid if the goods had been assessed at 2½ per cent.

3. The favour of an early reply to this letter will be much appreciated.—I have, etc.,

J. P. WADIA,
Assistant Secretary.

C. No. 710/Cus/27.

CENTRAL BOARD OF REVENUE,
SIMLA, *10th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Bobbins and Pirns—Assessment of—Your letter No. 1429/127, dated the 5th August 1927.

With reference to the letter quoted above, I am directed to say that the matter is already under the consideration of the Government of India in connection with a representation made by the Association in its letter dated the 22nd July 1927. I am to add that refunds could not be sanctioned by the Board without the special orders of the Government, as the higher assessments made before 16th July 1927 were correct at law.—I have, etc.,

V. S. SUNDARAM,
Secretary, Central Board of Revenue.

C. No. 710-Cus/27.

GOVERNMENT OF INDIA,
FINANCE DEPARTMENT (CENTRAL REVENUES),
SIMLA, *27th September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Bobbins and Pirns—Assessment of.—Board's letter C. No. 710-Cus/27, dated the 10th August 1927.

I am directed to invite a reference to the letter quoted above and to say that the Government of India regret that they are unable to authorize a refund of duty paid on bobbins and pirns which was correctly levied under the law as it stood at the time.—I have, etc.,

V. S. SUNDARAM,
Deputy Secretary to the Government of India.

No. 1907/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *13th October*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCE DEPARTMENT, SIMLA.

SIR,

I have the honour to invite reference to Finance Department (Central Revenues) Notification No. 61, dated 16th July 1927, the effect of which was that bobbins and pirns became assessable for duty at 2½ per cent. in supersession of the ruling given some time previously to assess these at 15 per cent.

2. Government are no doubt aware that certain shipments of bobbins and pirns arrived in this country when the 15 per cent. duty was in force, and my Committee respectfully submit that in fairness and equity refunds should be granted to the consignees concerned for the amount paid by them in excess of the amount they would have paid if the duty had remained 2½ per cent. Government have practically admitted that it was a mistake to have assessed the articles in question at 15 per cent., and under the circumstances my Committee trust the Government of India will be pleased to issue the necessary orders for refunds at an early date.

3. It may be added that soon after the publication of the Notification of 16th July 1927, representations for refunds were made to the Board of Revenue and also the Commerce Department, and reassuring replies were received from both these departments. It however now appears that refunds cannot be granted until the Finance Department moves in the matter, and my Committee have therefore directed me to address this letter to you, and they earnestly trust the necessary orders will be issued without undue delay.—I have, etc.,

T. MALONEY,
Secretary.

C. No. 710-Cus/27.

GOVERNMENT OF INDIA,
FINANCE DEPARTMENT (CENTRAL REVENUES),
SIMLA, *21st October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Bobbins and Pirns—Assessment of.—Your No. 1907/127, *dated the* 13*th October* 1927, *addressed to the Finance Department.*

I am directed to acknowledge the receipt of the letter quoted above.—I have, etc.,

V. S. SUNDARAM,
Deputy Secretary to the Government of India.

C. No. 710-Cus/27.

GOVERNMENT OF INDIA,
FINANCE DEPARTMENT (CENTRAL REVENUES),
NEW DELHI, 31*st October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Bobbins and Pirns—Assessment of.—Your letter No. 1907/127, *dated the* 13*th October* 1927.

With reference to the letter quoted above, I am directed to say that the Government of India are not prepared to reconsider the decision arrived at in my letter C. No. 710-Cus/27, dated the 27th September 1927.—I have, etc.,

V. S. SUNDARAM,
Deputy Secretary to the Government of India.

No. 179/127 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *3rd February*, 1928.

TO ALL MEMBERS OF THE ASSOCIATION.

DEAR SIRS,

Members are aware that for some time last year, bobbins and pirns were assessed at 15 per cent. instead of 2½ per cent., and as a result of the Association's protests, Government issued a notification in July under which these articles again became assessable at 2½ per cent., and later in the year these articles along with other mill stores were made 'duty free' under Act No. XXIV of 1927.

The Association made representations to Government urging the necessity of granting refunds on those shipments which had arrived during the short period the duty stood at 15 per cent. The Government of India, however, were very obdurate and declined to issue orders for the requisite refunds. Thereafter, the leading importers of bobbins and pirns in Bombay made a joint representation to Government, but they have also been informed by Government that no refunds can be granted.

The Chairman on his recent visit to Delhi, had an interview with Mr. Lloyd of the Central Board of Revenue and tried his best to get the Government of India to issue orders for the requisite refunds, but it appears that Government hold that it would be creating an undesirable precedent, and they are not prepared to reconsider this matter.—Yours, etc.,

J. P. WADIA,
Acting Secretary.

APPENDIX 42.

TARIFF VALUATIONS OF MILL STORES.

No. 524/72 of 1926.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th March*, 1926.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE, DELHI.

SIR,

I have the honour, under directions of the Committee of the Bombay Millowners' Association, to invite the serious attention of the Government of India to the fact that the tariff values fixed by the Government of India by their Notification No. 73-T(25), dated 26th December 1925, are in several cases higher than the present invoice value of the goods, with the result that the import duty actually works out to from 17½ per cent. to 20 per cent. instead of to 15 per cent.

The following statement will show at a glance the tariff values of certain chemicals and other commodities required in the cotton manufacturing industry of the country and their present invoice value C.I.F. Bombay :—

Articles.	Tariff value.	Invoice value C.I.F. Bombay without duty.	Per
	Rs. a. p.	Rs. a. p.	
China Clay	85 0 0	73 0 0	Ton.
Calcium Chloride	5 0 0	3 5 0	Cwt.
Farina (Market value)	17 0 0	14 14 0	Cwt.
Paper, Brown	0 2 6	0 1 8	lb.
Potash Bichromate	30 0 0	27 0 0	Cwt.
Magnesium Chloride	4 0 0	3 14 0	Cwt.
Soda Bichromate	25 8 0	22 4 0	Cwt.
Straw Boards	7 8 0	7 5 0	Cwt.
Tallow	41 0 0	39 0 0	Cwt.

The above particulars which have been furnished to the Association by a leading member speak for themselves, and my Committee earnestly trust the Government of India will give their immediate attention to the matter, and frame a revised list of tariff values in consonance with the present-day C.I.F. prices of the goods.

Apart from the inequitability of keeping the tariff values at a higher level at any time than the actual price of the goods, Government will doubtless recognize that in the present very depressed state of the industry, it is imperative that they should render every possible assistance to the industry, and not make the position of the industry worse by penalizing it further in an inequitable manner as is evidenced by the existing tariff values. My Committee earnestly trust Government will be pleased to give their immediate attention to this matter and issue a revised list of tariff values at an early date.—I have, etc.,

T. MALONEY,
Secretary.

No. 73-T (31).

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
SIMLA, *3rd June*, 1926.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to refer to your letter No. 524/72, dated the 26th March 1926, suggesting that revised tariff valuations may be prescribed in the case of certain chemicals, etc., required in the cotton manufacturing industry.

2. In reply I am to point out that tariff valuations are not calculated on the C.I.F. invoice values of the articles to which they relate but on wholesale market prices in India, less customs duties, and any generally recognised trade discounts as laid down in Section 30 (*a*) of the Sea Customs Act. Further, in fixing these valuations, the market prices of the principal grades of the articles ruling at all the major ports in India have to be taken into consideration. The enquiry made by the Government of India in the case of the articles mentioned by you shows that in no case is the tariff valuation substantially higher than the present market price and that in some cases it is less. The Government of India regret, therefore, that they are unable to accede to the request contained in your letter. As your Association will no doubt agree, the system of annual revision implies that tariff valuations should not be altered either upwards or downwards in the course of the year, unless there is an abnormal rise or fall in prices.—I have, etc.,

N. J. ROUGHTON,
Deputy Secretary to the Government of India.

No. 1120/72 of 1926.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *27th July*, 1926.

THE DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE, SIMLA.

SIR,

I have the honour to acknowledge receipt of your letter No. 73-T(31), dated 3rd June, 1926.

2. My Committee still adhere to the view expressed in their letter of 26th March 1926, that the tariff values of several chemicals, etc., are higher than their market values but are inclined to agree that it would be inadvisable to depart from the present practice of annual revision unless there has been an abnormal rise or fall in prices.

3. In order that this Association may not have any grounds for complaint in future, my Committee respectfully suggest that the Bombay Millowners' Association should be consulted by Government at the time the tariff valuations of different commodities are fixed. At present the Chamber of Commerce alone is consulted but my Committee desire to point out that this Association represents a very large body of importers and is vitally interested in chemicals and other stores used in the mill industry, and they trust Government in future will see their way to consult the Association when fixing the tariff valuations for these classes of goods.—I have, etc.,

T. MALONEY,
Secretary

No. 73-T (33).

GOVERNMENT OF INDIA
DEPARTMENT OF COMMERCE,
SIMLA, *30th August*, 1926.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to refer to your letter No. 1120/72, dated the 27th July 1926, requesting that in future Government may consult the Millowners' Association, Bombay, in connection with the annual revision of tariff valuations.

2. In reply I am to say that proposals for revised valuations are at present discussed by the Director-General of Commercial Intelligence and Statistics with the Chambers of Commerce at the principal ports. It is not possible for him, in the time available, to consult also Associations representing particular industries. At Bombay he consults the Bombay Chamber and the Indian Merchants' Chamber, both of which, it is understood, include members of your Association. I am to suggest that you should arrange with either of these Chambers for the representation of your interests through members who are also members of your Association.—I have, etc.,

G. L. CORBETT,
Secretary to the Government of India.

No. 1564/72 of 1926.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *27th September*, 1926.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, SIMLA.

SIR,

I have the honour to acknowledge receipt of your letter No. 73-T(33), dated 30th August 1926, intimating that it is not possible for the Director-General of Commercial Intelligence and Statistics to meet my Committee when he annually visits Bombay to consult the two Chambers of Commerce in connection with the annual revision of tariff valuations.

2. As already pointed out in this Association's letter of 27th July 1926, this Association represents a very large body of importers and is vitally interested in chemicals and other stores imported for use by cotton mills, and my Committee therefore much regret that Government should plead their inability to give special consideration to the views of the Association. My Committee really cannot persuade themselves that it would be difficult for the Director-General to spare an hour or so when in Bombay to confer with my Committee, and they respectfully request that Government may be pleased to reconsider the views expressed in their letter under reply. It may be pointed out that hitherto the Director-General used to meet my Committee annually to consider the tariff valuations of Indian mill-made piece-goods for the purposes of the now repealed Cotton Duties Act, and as it is now no longer necessary for him to meet my Committee in this connection, he may very well spare some time to meet my Committee in connection with tariff valuations of chemicals, etc. Moreover, at these annual meetings, opportunity might be taken of fully discussing other important questions and the benefits of such discussions between Government officers and important commercial bodies cannot be over-estimated.

3. My Committee trust that after considering the points mentioned in this letter, Government will be pleased to accede to the request made in my previous communications and will issue instructions in due course to the Director-General of Commercial Intelligence to meet my Committee when he visits Bombay to discuss the revisions of tariff valuations with the Bombay Chamber of Commerce and the Indian Merchants' Chamber.—I have, etc.,

T. MALONEY,
Secretary

No. 73-T (34).

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
DELHI, *18th November*, 1926.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to refer to your letter No. 1564/72 of 1926, in which the Millowners' Association repeat their request that in future they should be consulted by the Director-General of Commercial Intelligence and Statistics in connection with the annual revision of tariff valuations.

2. In reply I am to say that the Government of India consider that the consultations should be restricted to the leading Chambers of Commerce, on which all important interests are represented, and should not be extended to separate Trade Associations. There are many such associations in India which, as a practical matter, could not be consulted in the time available, and the Government of India regret that they are unable to make a special exception in favour of your Association.

3. The Government of India, however, agree that it is very desirable that the Director-General of Commercial Intelligence should meet your Association not less than once a year for a general discussion of matters relating to the cotton industry, and they are issuing instructions to him accordingly.—I have, etc.,

G. L. CORBETT,
Secretary to the Government of India.

No. 2137/72 of 1926.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *7th December*, 1926.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, DELHI.

SIR,

I have the honour to acknowledge the receipt of your letter No. 73-T(34), dated 18th November 1926, stating the reasons why the Government of India consider that this Association need not be consulted when fixing the tariff valuations for chemicals and textile mill stores.

My Committee have now had an opportunity of studying your letter carefully, and though they most certainly welcome the prospect of meeting the Director-General of Commercial Intelligence once a year for other purposes consider it very necessary to request the Government of India to reconsider the decision in regard to meeting my Committee to discuss the fixation of tariff valuations. My Committee note that in the opinion of Government, it would be very difficult for the Director-General of Commercial Intelligence to consult the various Trade Associations in the country, and for this reason they want the consultations to be confined only to the leading Chambers of Commerce. It will, however, be readily admitted that there is no trade association in this country of the status and importance of the Bombay Millowners' Association, with the possible exception of the Indian Jute Mills Association, which, however, is affiliated to the Bengal Chamber of Commerce. In view of this fact, my Committee respectfully submit that Government are not justified in arguing that because

other Trade Associations are not consulted by the Director-General of Commercial Intelligence therefore this Association also cannot be consulted by him in regard to tariff valuations. As far as the prices of many mill stores and chemicals are concerned, Chambers of Commerce have little or no knowledge owing to the fact that mills and mill agents import direct and do not purchase through importing houses to any extent; and that neither the mills, nor the mill agents as such are members of either the Indian Merchants' Chamber or the Bombay Chamber of Commerce. It is true that this year the Association was able to put forward its views to a certain extent through the Chairman of the Bombay Chamber of Commerce, who happened to be also a member of the Millowners' Committee, but there are frequent occasions when the Association's views could not be advocated in this manner. It might also be pointed out that the Association is not at present notified as to the proposals of the Director-General of Commercial Intelligence regarding increases or decreases in valuations, and sees no reasons why it should not be supplied with copies of the suggested changes, so that if necessary the Association could send in its written criticisms. My Committee feel, however, that upon further consideration Government will reverse their decision regarding consulting the Association, and even if it is not possible to meet my Committee separately will at least make arrangements for one or two representatives of the Millowners' Association to be present when the Director-General of Commercial Intelligence meets the Bombay Chamber of Commerce.—I have, etc.,

T. MALONEY,
Secretary.

No. 215/48 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *27th January*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, DELHI.

SIR,

I have the honour to invite reference to the correspondence ending with the Association's letter No. 2137/72, dated 7th December 1926, regarding the necessity of the Director-General of Commercial Intelligence consulting this Association in regard to the fixation of tariff valuations for chemicals and other stores used by mills, instead of confining the consultations to the Bombay Chamber of Commerce and Indian Merchants' Chamber, as hitherto.

2. By your letter No. 73-T (34), dated 18th November 1926, you informed the Association that the Government of India considered that the consultations should be restricted to the leading Chambers of Commerce, and should not be extended to separate Trade Associations. The Government of India, however, agreed that it was very desirable that the Director-General of Commercial Intelligence should meet this Association not less than once a year for a general discussion of matters relating to the cotton industry, and issued instructions to the Director-General accordingly.

3. As an outcome of this correspondence, the Director-General of Commercial Intelligence met my Committee on the 25th instant when questions of mutual interest were discussed and very beneficial results are expected to accrue from this discussion. The question of the advisability of the Director-General consulting the Association in regard to tariff valuations was also brought forward, and the Director-General stated that he would have no objections to consulting a joint Committee of the Bombay Chamber and the Millowners' Association, or a joint Committee of the Indian Merchants' Chamber and the Association, if the Government of India were agreeable. My Committee trust that the Government of India would have no objection to this suggestion being given effect to in view of the Director-General's approval, and will issue the necessary instructions.—I have, etc.,

T. MALONEY,
Secretary.

No. 2160/48 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *9th November*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
COMMERCE DEPARTMENT, DELHI.

SIR,

I have the honour to acknowledge receipt of the Hon'ble Sir Geoffrey Corbett's D.O. of the 13th ultimo in reply to the Association's letter No. 215/48 of 27th January 1927, on the subject of the Director-General of Commercial Intelligence consulting this Association in regard to tariff valuations of chemicals and other stores.

2. My Committee agree with Sir Geoffrey Corbett that in view of the abolition of the import duty on chemicals and other stores used principally by mills, it is now not quite so necessary that they should be consulted by the Director-General of Commercial Intelligence in connection with the fixation of tariff valuations. If for any reasons in future they deem it necessary in the interests of the cotton textile industry that they should be consulted in regard to tariff valuations, they will address Government in the matter.

3. By your letter No. 73-T (34), dated 18th November 1926, the Government of India endorsed my Committee's view that it was very desirable that the Director-General of Commercial Intelligence should meet my Committee at least once a year for a general discussion of matters relating to the cotton industry. It was stated in your letter that Government had issued instructions accordingly, and my Committee trust this arrangement will be adhered to.—I have, etc.,

T. MALONEY,
Secretary.

No. 73-T (39).

GOVERNMENT OF INDIA,
DEPARTMENT OF COMMERCE,
NEW DELHI, *19th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Consultation with the Director-General of Commercial Intelligence and Statistics in regard to Tariff Valuations of Chemicals and other Stores.

In reply to your letter No. 2160/48, dated the 9th November 1927, on the above subject, I am directed to say that the Government of India have no intention of cancelling the orders instructing the Director-General of Commercial Intelligence and Statistics to meet your Committee at least once a year for a general discussion of matters relating to the cotton industry.—I have, etc.,

L. SEN,
Assistant Secretary to the Government of India.

APPENDIX 43.

TARIFF VALUATIONS UNDER THE INDIAN TARIFF ACT.

SCHEDULES II AND III.

NOTE 1.—In the expression "*ad valorem*" used in these Schedules the reference is to "real value" as defined in Section 30 of the Sea Customs Act, 1878 (VIII of 1878), unless an article has a tariff value assigned to it.

NOTE 2.—Tariff-valued heads are based on the ordinary trade description of each article and cover all reduced grades and mixtures unless they are separately provided for.

SCHEDULE II—IMPORT TARIFF.

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		I.—Food, Drink and Tobacco.			
		FISH.			
1	27	FISH, SALTED, wet or dry	Indian maund of 82 2/7 lbs. avoirdupois weight.	....	Such rate or rates of duty not exceeding one rupee as the Governor-General in Council may, by notification in the *Gazette of India*, from time to time prescribe.*
2	65	FISH, excluding salted fish (*see* Serial No. 1).	....	*Ad valorem*	15 per cent.
3	66	FISHMAWS, including singally and sozille, and sharkfins.	....	,,	15 ,,
		FRUITS AND VEGETABLES.			
3A	27A	CURRANTS	cwt.	....	Rs. 1-4-0.
4	67	FRUITS AND VEGETABLES, all sorts, fresh, dried, salted or preserved, not otherwise specified.	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Almonds without shell	cwt.	98 0 0	15 per cent.
		,, kagazi, Persian, in the shell.	,,	88 0 0	15 ,,
		,, in the shell, Persian ..	,,	20 0 0	15 ,,
		Cashew or cajoo kernels	,,	25 0 0	15 ,,
		Cocoanuts, Straits, Dutch East Indies and Siam.	thousand	105 0 0	15 ,,
		,, Maldives	,,	30 0 0	15 ,,
		,, other	,,	45 0 0	15 ,,
		,, kernel (khopra)	cwt.	22 0 0	15 ,,
		Dates, dry, in bags	,,	12 0 0	15 ,,
		,, wet, in bags, baskets and bundles.	,,	5 8 0	15 ,,
		,, ,, in pots, boxes, tins & crates.	,,	12 0 0	15 ,,
		Figs, dried, Persian	,,	12 0 0	15 ,,
		,, ,, European..	,,	18 0 0	15 ,,
		Garlic	,,	6 8 0	15 ,,
		Pistachio nuts	,,	70 0 0	15 ,,
		Raisins, red, Persian Gulf	,,	13 0 0	15 ,,
		GRAIN, PULSE AND FLOUR.			
5	68	FLOUR except sago flour	....	*Ad valorem.*	15 per cent.
6	1A	GRAIN AND PULSE, all sorts, including broken grains and pulse, but excluding flour (*see* Serial Nos. 5 and 7).	....	....	Free.
7	1B	SAGO FLOUR	....	....	Free.
		LIQUORS.			
8	28	ALE, Beer, Porter, Cider and other fermented liquors.	Imperial gallon or 6 quart bottles.	....	Eight annas.

* The rate on the 1st January, 1928, and until further notice is annas 7½.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		I.—Food, Drink and Tobacco—*contd.*		Rs. a. p.	
		LIQUORS—*contd.*			
9	29	DENATURED SPIRIT	....	*Ad valorem*	7½ per cent.
10	30	PERFUMED SPIRITS	Imperial gallon or 6 quart bottles.	....	Rs. 36 or 15 per cent. *ad valorem*, whichever is higher.
11	31	LIQUEURS, Cordials, Mixtures and other preparations containing spirit—			
		(*a*) Entered in such a manner as to indicate that the strength is not to be tested.	,,	....	Rs. 30 or 15 per cent. *ad valorem*, whichever is higher.
		(*b*) If tested	Imperial gallon or 6 quart bottles of the strength of London proof.	....	Rs. 21-14 and the duty to be increased or reduced in proportion as the strength of the spirit exceeds or is less than London proof or 15 per cent. *ad valorem*, whichever is higher.
12	32	All other sorts of SPIRIT	Imperial gallon or 6 quart bottles of the strength of London proof.	....	Rs. 21-14 and the duty to be increased or reduced in proportion as the strength of the spirit exceeds or is less than London proof or 15 per cent. *ad valorem*, whichever is higher.
13	33	WINES—			
		Champagne and all other sparkling wines not containing more than 42 per cent. of proof spirit.	Imperial gallon or 6 quart bottles.	....	Rs. 9.
		All other sorts of wines not containing more than 42 per cent. of proof spirit :	,,	....	Rs. 4-8.
		Provided that all sparkling and still wines containing more than 42 per cent. of proof spirit shall be liable to duty at the rate applicable to "All other sorts of Spirit."			
		PROVISIONS AND OILMAN'S STORES.			
14	69	PROVISIONS AND OILMAN'S STORES AND GROCERIES, all sorts, excluding vinegar in casks (*see* Serial No. 15).	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Butter	lb.	1 12 0	15 ,,
		Cassava, Tapioca or Sago (whole) ..	cwt.	12 0 0	15 ,,
		Cassava or Tapioca (flour)	,,	10 2 0	15 ,,
		China preserves in syrup	box of six large or twelve small jars.	8 8 0	15 ,,
		,, ,, dry, candied ..	lb.	0 7 0	15 ,,
		China canned fruit	case of 4 doz.	15 0 0	15 ,,
		Cocum	cwt.	7 0 0	15 ,,
		Ghi	,,	68 0 0	15 ,,
		Vegetable product	,,	42 0 0	15 ,,
		Vermicelli, flour, from China and the Far East.	,,	25 0 0	15 ,,
		,, peas, from China and the Far East.	,,	32 0 0	15 ,,
		,, rice, from China and the Far East.	,,	13 8 0	15 ,,
		Yeast, from China and the Far East .	,,	29 0 0	15 ,,
15	48	VINEGAR IN CASKS..	....	*Ad valorem*	2½ ,,

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		I.—Food, Drink and Tobacco—*contd.*		Rs. a. p.	
		SACCHARINE.			
16	34A	SACCHARINE (except in tablets)	lb.	....	Rs. 5.
17	34B	SACCHARINE TABLETS	....	*Ad valorem*	15 per cent. or Rs. 5 per pound of saccharine contents, whichever is higher.
		SPICES.			
18	70	SPICES, all sorts	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Betelnuts (husked)—			
		Raw, or boiled whole, from Goa ..	cwt.	21 0 0	15 „
		Raw, or boiled whole, from Straits, Dutch East Indies and Siam.	„	18 0 0	15 „
		Raw, whole, from Ceylon	„	21 0 0	15 „
		Raw, split (sun-dried), from Ceylon.	„	35 0 0	15 „
		Boiled, split or sliced	„	28 0 0	15 „
		Chillies, dry	„	25 0 0	15 „
		Cloves	„	52 0 0	15 „
		„ exhausted	„	11 0 0	15 „
		„ stems and heads	„	7 0 0	15 „
		„ in seeds, narlavang	„	20 0 0	15 „
		Ginger, dry	„	33 0 0	15 „
		Mace	lb.	2 0 0	15 „
		Nutmegs	„	1 0 0	15 „
		„ in shell	„	0 8 6	15 „
		Pepper, black	cwt.	65 0 0	15 „
		„ long	„	90 0 0	15 „
		„ white	„	90 0 0	15 „
		SUGAR.			
19	124	CONFECTIONERY	....	*Ad valorem*	30 „
20	34	SUGAR, excluding confectionery (*see* Serial No. 19)—			
		(1) Sugar, crystallised or soft, 23 Dutch Standard and above.	cwt.	....	Rs. 4-8.
		(2) Sugar, crystallised or soft, inferior to 23 Dutch Standard but not inferior to 8 Dutch Standard.	„	....	Rs. 4.
		(3) Sugar, below 8 Dutch Standard, molasses and sugar candy.	....	*Ad valorem*	25 per cent.
		TARIFF VALUES—			
		Molasses—			
		(i) imported in bulk by tank steamer.	cwt.	1 10 6	25 „
		(ii) otherwise imported	„	2 4 0	25 „
		Sugar Candy	„	20 0 0	25 „
		TEA.			
21	71	TEA	....	*Ad valorem*	15 „
		TARIFF VALUES—			
		Tea, black	lb.	0 11 6	15 „
		„ green	„	1 2 0	15 „
		OTHER FOOD AND DRINK.			
22	72	COFFEE	....	*Ad valorem*	15 „
		TARIFF VALUE—			
		Coffee, other than roasted or ground	cwt.	55 0 0	15 „
23	1	HOPS	....	....	Free.
24	35	SALT, excluding Salt exempted under Serial No. 25.	Indian maund of 82⅔ lbs. avoirdupois weight.	....	The rate at which excise duty is for the time being leviable on salt manufactured in the place where the import takes place.*

*The rate of excise duty on the 1st January, 1928, and until further notice is Rs. 1-4-0.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		I.—Food, Drink and Tobacco—*concld.*		Rs. a. p.	
		OTHER FOOD AND DRINK—*contd.*			
25	2	SALT, imported into British India and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in any process of manufacture; also salt imported into the port of Calcutta and issued with the sanction of the Government of Bengal to manufacturers of glazed stoneware; also salt imported into any port in the provinces of Bengal and Bihar and Orissa and issued, in accordance with rules made with the previous sanction of the Governor-General in Council, for use in curing fish in those provinces. (For the general duty on salt, *see* Serial No. 24.)	....	....	Free.
26	73	ALL OTHER SORTS OF FOOD AND DRINK not otherwise specified.	....	*Ad valorem*	15 per cent.
		TOBACCO.			
27	37	CIGARS	....	,,	75 ,,
28	37A	CIGARETTES of value— (*a*) not exceeding Rs. 10-8 per thousand. (*b*) exceeding Rs. 10-8 per thousand. *Note.*—For the purposes of this item, 'value' means real value as defined in Section 30 of the Sea Customs Act, 1878, provided that the amount to be deducted on account of duties payable on importation to determine the real value in accordance with the provisions of clause (*a*) of the said section shall be Rs. 7 per thousand.	 thousand ,,		 Rs. 7. Rs. 10-8.
29	36	TOBACCO, unmanufactured	lb.	....	Rs. 1-8.
30	38	All other sorts of TOBACCO manufactured	,,	....	Rs. 2-4.
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured.			
		COAL, COKE AND PATENT FUEL.			
31	39	COAL, COKE AND PATENT FUEL	ton	....	As. 8.
		GUMS, RESINS AND LAC.			
32	10B	STICK OR SEED LAC	....	....	Free.
33	74	GUMS, RESINS AND LAC, all sorts not otherwise specified (*see* Serial No. 32).	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Gambier, block and cube	cwt.	22 0 0	15 ,,
		,, in flakes or circular pieces..	,,	45 0 0	15 ,,
		Gum Ammoniac	,,	35 0 0	15 ,,
		,, Arabic	,,	25 0 0	15 ,,
		,, Benjamin, ras	,,	32 0 0	15 ,,
		,, ,, cowrie	,,	60 0 0	15 ,,
		,, Bysabol (coarse myrrh) ..	,,	32 0 0	15 ,,
		,, Olibanum or frankincense ..	,,	11 0 0	15 ,,
		,, Persian (false)	,,	13 0 0	15 ,,
		Myrrh	,,	33 0 0	15 ,,
		Rosin	,,	17 0 0	15 ,,

SCHEDULE II—IMPORT TARIFF.—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*contd.*		Rs. a. p.	
		HIDES AND SKINS, RAW.			
34	3	HIDES AND SKINS, raw or salted ..	....	....	Free.
		METALLIC ORES AND SCRAP IRON OR STEEL FOR RE-MANUFACTURE.			
35	58	IRON OR STEEL, old	....	*Ad valorem*	10 per cent.
		TARIFF VALUE—			
		Iron or Steel, old	cwt.	1 12 0	10 ,,
36	4	METALLIC ORES, all sorts except ochres and other pigment ores.	....	....	Free.
		OILS.			
37	40	KEROSENE, also any mineral oil other than kerosene and motor spirit which has its flashing point below one hundred degrees of Fahrenheit's thermometer by Abel's close test.	Imperial gallon.	....	As. 2 and 6. ps.
38	40A	MOTOR SPIRIT	Imperial gallon.	....	As. 4.
39	41	MINERAL OIL—			
		(1) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is ordinarily used for the batching of jute or other fibre;	ton	....	Rs. 10.
		(2) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is such as is not ordinarily used for any other purpose than for lubrication;	Imperial gallon.	....	A. 1. and ps. 4.
		(3) which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes.	....	*Ad valorem*	7½ per cent.
		TARIFF VALUE—			
		MINERAL OIL which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes, if imported in bulk.	ton	53 5 4	7½ ,,
40	75	All sorts of ANIMAL, ESSENTIAL, MINERAL AND VEGETABLE NON-ESSENTIAL OILS not otherwise specified (*see* Serial Nos. 37, 38 and 39).	....	*Ad valorem*	15 ,,
		TARIFF VALUES—			
		Cassia oil	lb.	2 6 0	15 ,,
		Citronella oil	,,	1 12 0	15 ,,
		Cocoanut oil	cwt.	30 0 0	15 ,,
		Kajiputty oil	lb.	1 14 0	15 ,,
		Linseed oil, raw or boiled	Imperial gallon.	3 6 0	15 ,,
		Peppermint oil..	lb.	8 0 0	15 ,,
		SEEDS.			
41	6	OIL-SEEDS, imported into British India by sea from the territories of any Prince or Chief in India.	....	....	Free.
42	76	SEEDS, all sorts not otherwise specified..	....	*Ad valorem*	15 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*contd.*		Rs. a. p.	
		TALLOW, STEARINE AND WAX.			
43	6A	TALLOW	....	....	Free.
44	77	All sorts of STEARINE, WAX, GREASE and ANIMAL FAT not otherwise specified.	....	*Ad valorem*	15 per cent.
		TARIFF VALUE—			
		Vegetable wax	cwt.	55 0 0	15 „
		TEXTILE MATERIALS.			
45	7	COTTON, raw	....	....	Free.
46	78	TEXTILE MATERIALS, the following :— Silk waste, and raw silk including cocoons, raw flax, hemp, jute and all other unmanufactured textile materials not otherwise specified.	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Raw Silk—			
		Bokhara	lb.	12 0 0	15 „
		Yellow Shanghai	„	5 10 0	15 „
		„ other kinds	„	6 8 0	15 „
		Mathow	„	4 8 0	15 „
		Panjam	„	3 0 0	15 „
		Persian	„	8 0 0	15 „
		Siam	„	5 12 0	15 „
		White Shanghai, Thonkoon or Duppion.	„	4 4 0	15 „
		„ „ other kinds ..	„	6 8 0	15 „
		„ other kinds of China ..	„	7 0 0	15 „
		Coir fibre	cwt.	8 4 0	15 „
		Raw hemp	„	35 0 0	15 „
47	8	WOOL, raw, and WOOL-TOPS	....	....	Free.
		WOOD AND TIMBER.			
48	49	FIREWOOD	....	*Ad valorem*	2½ per cent.
49	79	WOOD AND TIMBER, all sorts, not otherwise specified, including all sorts of ornamental wood.	....	*Ad valorem*	15 „
		MISCELLANEOUS.			
50	80	CANES AND RATTANS	....	*Ad valorem*	15 „
		TARIFF VALUES—			
		Canes—			
		Malacca	100 pieces	22 0 0	15 „
		Chimity	„	11 0 0	15 „
		Tries	„	8 0 0	15 „
		Root Moonah	„	26 0 0	15 „
		Mannu	„	16 8 0	15 „
		Polo, all kinds	„	45 0 0	15 „
		Tohite	cwt.	25 0 0	15 „
		Rattans—			
		Chair	„	20 0 0	15 „
		Basket	„	10 8 0	15 „
		Outers	„	75 0 0	15 „
		Inners	„	53 0 0	15 „
51	81	COWRIES AND SHELLS	....	*Ad valorem*	15 „
		TARIFF VALUES—			
		Cowries, bazar, common	cwt.	6 0 0	15 „
		„ yellow, superior quality ..	„	8 0 0	15 „
		„ Maldive	„	21 0 0	15 „
		„ Sankhli	„	120 0 0	15 „
		Mother-of-pearl, nacre	„	20 0 0	15 „
		Nakhla	„	120 0 0	15 „
		Tortoist-shell	lb.	10 0 0	15 „
		„ nakh	„	2 0 0	15 „

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		II.—Raw Materials and Produce and Articles Mainly Unmanufactured—*concld.*		Rs. a. p.	
		MISCELLANEOUS—*contd.*			
52	82	IVORY, unmanufactured	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Elephants' grinders	cwt.	300 0 0	15 ,,
		Elephants' tusks (other than hollows, centres, and points), each exceeding 20 lbs. in weight, and hollows, centres and points each weighing 10 lbs. and over.	,,	875 0 0	15 ,,
		Elephants' tusks (other than hollows, centres, and points), not less than 10 lbs. and not exceeding 20 lbs. each, and hollows, centres, and points each weighing less than 10 lbs.	,,	725 0 0	15 ,,
		Elephants' tusks each less than 10 lbs. (other than hollows, centres, points).	,,	430 0 0	15 ,,
		Sea-cow or moye teeth, each not less than 4 lbs.	,,	275 0 0	15 ,,
		Sea-cow or moye teeth, each not less than 3 lbs. and under 4 lbs.	,,	220 0 0	15 ,,
		Sea-cow or moye teeth, each less than 3 lbs.	,,	130 0 0	15 ,,
53	9	MANURES, all sorts, including animal bones and the following chemical manures:—Basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainit salts, carbo lime, urea, nitrate of lime, calcium cyanamide, mineral phosphates and mineral superphosphates.	....	....	Free.
54	5	PRECIOUS STONES, unset and imported uncut, and PEARLS, unset.	....	....	Free.
55	83	PRECIOUS STONES, unset and imported cut (*see* Serial No. 54).	....	*Ad valorem*	15 per cent.
56	10	PULP OF WOOD, RAGS and other paper-making materials.	....	....	Free.
57	10A	RUBBER STUMPS, rubber seeds and raw rubber.	....	....	Free.
58	84	ALL OTHER RAW MATERIALS AND PRODUCE AND ARTICLES mainly unmanufactured, not otherwise specified.*	....	*Ad valorem*	15 per cent.
		III.—Articles Wholly or Mainly Manufactured.			
		APPAREL.			
59	85	APPAREL, including drapery, boots and shoes, and military and other uniforms and accoutrements, but excluding uniforms and accoutrements exempted from duty under Serial No. 60 and gold and silver thread and articles made of silk or silk mixtures.	....	*Ad valorem*	15 per cent.
60	11	UNIFORMS AND ACCOUTREMENTS appertaining thereto, imported by a public servant for his personal use.	....	....	Free.

*Under Government of India, Notification No. 4317, dated the 2nd July 1921, unmanufactured Mica is exempt from payment of import duty.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		ARMS, AMMUNITION AND MILITARY STORES.			
61	42	Subject to the exemptions specified in Serial No. 64—			
		(1) Firearms, including gas and air guns, gas and air rifles and gas and air pistols, not otherwise specified (*see* Serial Nos. 65 and 165).	each	....	Rs. 15
		(2) Barrels for the same, whether single or double.	"	....	Rs. 15
		(3) Main springs and magazine springs for firearms, including gas guns, gas rifles and gas pistols.	"	....	Rs. 5
		(4) Gun stocks and breech blocks..	"	....	Rs. 3
		(5) Revolver-cylinders, for each cartridge they will carry.	"	....	Rs. 2
		(6) Actions (including skeleton and waster) breech bolts and their heads, cocking pieces, and locks for muzzle loading arms.	"	....	Re. 1
		(7) Machines for making, loading, or closing cartridges for rifled arms.	....	*Ad valorem*	30 per cent.
		(8) Machines for capping cartridges for rifled arms.	....	*Ad valorem*	30 "
62	125	GUNPOWDER for cannons, rifles, guns, pistols and sporting purposes.	....	*Ad valorem*	30 "
63	126	Subject to the exemptions specified in Serial No. 64 all articles other than those specified in Serial Nos. 61, 65 and 165 which are arms or parts of arms within the meaning of the Indian Arms Act, 1878 (excluding springs used for air-guns which are dutiable as hardware under Serial No. 84), all tools used for cleaning or putting together the same, all machines for making, loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores, and any articles which the Governor-General in Council may, by notification in the *Gazette of India*, declare to be ammunition or military stores for the purposes of this Act.	....	*Ad valorem*	30 "
64	12	The following ARMS, AMMUNITION AND MILITARY STORES :—	....	....	Free.
		(*a*) Articles falling under the 3rd, 4th, 6th, 7th or 8th sub-head of Serial No. 61, when they appertain to a firearm falling under that item and are fitted into the same case with such firearm.			
		(*b*) Arms forming part of the regular equipment of a commissioned or gazetted officer in His Majesty's Service entitled to wear diplomatic, military, naval, Royal Air Force or police uniform.			

(Duty of Serial No. 61 items (1)–(6): or 30 per cent. *ad valorem* whichever is higher.)

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		ARMS, AMMUNITION AND MILITARY STORES—*contd.*			
64	12	The following ARMS, AMMUNITION AND MILITARY STORES :—*contd.* (*c*) A revolver and an automatic pistol and ammunition for such revolver and pistol up to a maximum of 100 rounds per revolver or pistol, (*i*) when accompanying a commissioned officer of His Majesty's regular forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer, or (*ii*) certified by the commandant of the corps to which such officer belongs, or, in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving or, in the case of a police officer, by an Inspector-General or Commissioner of Police, to be imported by the officer for the purpose of his equipment. (*d*) Swords for presentation as army or volunteer prizes. (*e*) Arms, ammunition, and military stores imported with the sanction of the Government of India for the use of any portion of the military forces of a State in India being a unit notified in pursuance of the First Schedule to the Indian Extradition Act, 1903. (*f*) Morris tubes and patent ammunition imported by officers commanding British and Indian regiments or volunteer corps for the instruction of their men.	....	....	Free.
65	86A	ORNAMENTAL ARMS of an obsolete pattern possessing only an antiquarian value; masonic and theatrical and fancy dress swords, provided they are virtually useless for offensive or defensive purposes; and *dahs* intended exclusively for domestic, agricultural and industrial purposes.	....	*Ad valorem*	15 per cent.
66	86	EXPLOSIVES, namely, blasting gunpowder,, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite, and all other sorts including detonators and blasting fuse.	....	*Ad valorem*	15 per cent.
		CHEMICALS, DRUGS AND MEDICINES.			
67	13	ANTI-PLAGUE SERUM	....	....	Free.
68	13A	BLEACHING PASTE & BLEACHING POWDER.	....	....	Free.
69	50	COPPERAS, green	....	*Ad valorem*	2½ per cent.
		TARIFF VALUE— Copperas, green, if imported in bulk .	cwt.	4 0 0	2½ „
70	43	OPIUM and its alkaloids and their derivatives.	seer of 80 tolas.	....	Rs. 24 or 15 per cent. *ad valorem*, whichever is higher.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		CHEMICALS, DRUGS AND MEDICINES—*contd.*			
71	14	CINCHONA BARK and the alkaloids extracted therefrom including Quinine and alkaloids derived from other sources which are chemically identical with alkaloids extracted from cinchona bark.	....	....	Free.
72	14A	MAGNESIUM CHLORIDE	....	....	Free.
73	14B	SULPHUR	....	....	Free.
74	88	CHEMICALS, DRUGS AND MEDICINES, all sorts, not otherwise specified.	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Alkali, Indian (sajji-khar)	cwt.	3 8 0	15 per cent.
		Alum (lump)	,,	6 0 0	15 ,,
		Ammonium chloride—			
		Muriate of Ammonia, crystalline ..	,,	20 0 0	15 ,,
		Salammoniac, sublimed	,,	25 0 0	15 ,,
		Other sorts, including compressed .	,,	22 0 0	15 ,,
		Anhydrous ammonia gas	lb.	0 14 0	15 ,,
		Arsenic (China mansil)	cwt.	70 0 0	15 ,,
		Calcium chloride	,,	4 8 0	15 ,,
		Carbide of calcium	,,	16 0 0	15 ,,
		Carbonate of ammonia	,,	32 0 0	15 ,,
		Carbonic acid gas	lb.	0 3 6	15 ,,
		Chlorine gas	,,	0 4 6	15 ,,
		Epsom salts (in bulk)	cwt.	3 8 0	15 ,,
		Peppermint crystals	lb.	14 0 0	15 ,,
		Potassium bichromate	cwt.	27 0 0	15 ,,
		Silicate of soda (in liquid form) ..	,,	8 0 0	15 ,,
		Soda ash including calcined natural soda and manufactured sesqui-carbonates.	,,	6 0 0	15 ,,
		Soda, bicarbonate	,,	8 8 0	15 ,,
		Soda, bichromate	,,	22 8 0	15 ,,
		Soda, caustic, solid	,,	10 8 0	15 ,,
		,, ,, flake	,,	15 0 0	15 ,,
		,, ,, powdered	,,	15 8 0	15 ,,
		Soda crystals (in bulk)	,,	7 0 0	15 ,,
		Sodium sulphide	,,	8 8 0	15 ,,
		Sulphate of copper	,,	19 0 0	15 ,,
		Trona or natural soda uncalcined ..	,,	3 8 0	15 ,,
		Asafoetida (hing)	,,	100 0 0	15 ,,
		,, coarse (hingra)	,,	30 0 0	15 ,,
		Banslochan (bamboo camphor) ..	lb.	1 0 0	15 ,,
		Calumba root	cwt.	7 0 0	15 ,,
		Camphor, refined, other than powder and slabs.	lb.	2 2 0	15 ,,
		,, refined, slabs	,,	1 15 0	15 ,,
		,, powder, from Japan.. ..	,,	1 13 0	15 ,,
		,, ,, from China including Hongkong.	,,	1 10 0	15 ,,
		Camphor, synthetic, powder ..	,,	1 8 0	15 ,,
		Cassia lignea	cwt.	19 8 0	15 ,,
		China root (Chobchini) rough ..	,,	22 0 0	15 ,,
		,, ,, ,, scraped ..	,,	35 0 0	15 ,,
		Cubebs	,,	85 0 0	15 ,,
		Galangal, China	,,	16 0 0	15 ,,
		Salep	,,	200 0 0	15 ,,
		Storax, liquid (rose mellos or salaras.)	,,	30 0 0	15 ,,
		CONVEYANCES.			
75	142	COAL-TUBS, TIPPING WAGONS and the like conveyances designed for use on light rail track, if adapted to be worked by manual or animal labour and if			

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		CONVEYANCES—*contd.*			
		made mainly of iron or steel; and component parts thereof made of iron or steel—			
		(*a*) if of British manufacture ..	ton	....	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher.
		(*b*) if not of British manufacture .	ton	....	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.
76	87	CONVEYANCES not specified in Serial No. 75, namely, tram-cars, motor-omnibuses, motor-lorries, motor-vans, passenger lifts, carriages, carts, jinrikshas, bath-chairs, perambulators, trucks, wheelbarrows, bicycles, tricycles and all other sorts of conveyances not otherwise specified, and component parts and accessories thereof, except such parts and accessories of the motor vehicles above mentioned as are also adapted for use as parts or accessories of motor cars, motor cycles or motor scooters (*see* Serial No. 77).	....	*Ad valorem*	15 per cent.
77	42A	MOTOR CARS, MOTOR CYCLES AND MOTOR SCOOTERS AND ARTICLES (other than rubber tyres and tubes) adapted for use as parts and accessories thereof; provided that such articles as are ordinarily also used for other purposes than as parts and accessories of motor vehicles included in this item or in Serial No. 76 shall be dutiable at the rate of duty specified for such articles.	....	*Ad valorem*	20 per cent.
		CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS.			
78	15	The following AGRICULTURAL IMPLEMENTS namely, winnowers, threshers, mowing and reaping machines, binding machines, elevators, seed and corn crushers, chaff-cutters, root-cutters, ensilage-cutters, horse and bullock gears, ploughs, cultivators, scarifiers, harrows, clod-crushers, seed-drills, hay-tedders, hay presses, potato diggers, latex spouts, spraying machines, beet pullers, broadcast seeders, corn pickers, corn shellers, cultipackers, drag scrapers, stalk cutters, huskers and shredders, potato planters, lime sowers, manure spreaders listers, soil graders and rakes; also agricultural tractors; also component parts of these implements, machines or tractors, provided that they can be readily fitted into their proper places in the implements, machines or tractors for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture.	....	....	Free.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		CUTLERY, HARDWARE, IMPLEMENTS AND INSTRUMENTS—*contd.*			
79	129	ARTICLES PLATED WITH GOLD AND SILVER excluding surgical instruments.	....	*Ad valorem*	30 per cent.
80	128	CLOCKS AND WATCHES and parts thereof..	....	*Ad valorem*	30 ,,
81	89	CUTLERY, excluding plated cutlery (*see* Serial No. 79).	....	*Ad valorem*	15 ,,
82	16	The following DAIRY APPLIANCES, namely cream separators, milking machines, milk sterilizing or pasteurizing plant, milk aerating and cooling apparatus, churns, butter dryers and butter workers; also component parts of these appliances, provided that they can be readily fitted into their proper places in the appliances for which they are imported, and that they cannot ordinarily be used for other than dairy purposes.	....	....	Free.
83	90A	ELECTRICAL CONTROL GEAR AND TRANSMISSION GEAR, namely, switches, fuses and current-breaking devices of all sorts and descriptions, designed for use in circuits of less than ten *amperes* and at a pressure not exceeding 250 volts, and regulators for use with motors designed to consume less than 187 watts; bare or insulated copper wires and cables, any one core of which has a sectional area of less than one-eightieth part of a square inch, and wires and cables of other metals of not more than equivalent conductivity; and line insulators, including also cleats, connectors, leading in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purposes, and the fittings thereof.	....	*Ad valorem*	15 per cent.
84	90	HARDWARE, IRONMONGERY AND TOOLS, all sorts, not otherwise specified.	....	*Ad valorem*	15 per cent.
		TARIFF VALUE—			
		Crown corks	gross	0 13 0	15 ,,
85	17	INSTRUMENTS, APPARATUS AND APPLIANCES, imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling.	....	....	Free.
86	130	MUSICAL INSTRUMENTS and parts thereof.	....	*Ad valorem*	30 per cent.
87	59	TELEGRAPHIC INSTRUMENTS AND APPARATUS, and parts thereof imported by, or under the orders of, a Railway Administration.	....	*Ad valorem*	10 ,,
88	18	WATER-LIFTS, SUGAR-MILLS, OIL-PRESSES, and parts thereof, when constructed so that they can be worked by manual or animal power.	....	....	Free.
89	91	All other sorts of implements, instruments, apparatus and appliances (including plated surgical instruments) and parts thereof, not otherwise specified.*	....	*Ad valorem*	15 per cent.

* Under Government of India, Finance Department (Central Revenues) Notification No. 96-I—Cus.-25, dated the 28th February 1925, apparatus for wireless telegraphs designed either for transmission or reception whether by telegraphy or telephony (including component parts of such apparatus which are essential for its working and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose), when imported in accordance with the orders for the time being governing the importation of such apparatus, is liable to duty at 2½ per cent. *ad valorem*.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedue.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		DYES AND COLOURS.			
90	14C	DYES derived from coal-tar and coal-tar derivatives used in any dyeing process.	....	....	Free.
91	92	DYEING AND TANNING SUBSTANCES, all sorts not otherwise specified and paints and colours and painters' materials, all sorts.	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Avar bark	cwt.	4 8 0	15 per cent.
		Cochineal	lb.	1 12 0	15 ,,
		Gallnuts, Persian	cwt.	40 0 0	15 ,,
		Gamboge	lb.	2 0 0	15 ,,
		Turmeric	cwt.	25 0 0	15 ,,
		Vermilion, Canton	box of 90 bundles.	210 0 0	15 ,,
		FURNITURE, CABINETWARE AND MANUFACTURES OF WOOD.			
92	93	FURNITURE, CABINETWARE and all other manufactures of wood not otherwise specified.	....	*Ad valorem*	15 per cent.
		GLASSWARE AND EARTHENWARE.			
93	94	GLASS AND GLASSWARE, lacquered ware, earthenware, china and porcelain; all sorts except glass bangles and beads and false pearls (*see* Serial No. 94).	....	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Aerated water bottles, empty—			
		Codd's pattern—			
		Under 10 ozs.	gross	28 0 0	15 per cent.
		10 ozs	,,	30 0 0	15 ,,
		Over 10 ozs.	,,	34 0 0	15 ,,
		Crown cork pattern—			
		7 ozs. and under	,,	16 0 0	15 ,,
		Over 7 ozs. up to and including 10 ozs.	,,	21 0 0	15 ,,
		Over 10 ozs	,,	24 0 0	15 ,,
94	131	GLASS BANGLES AND BEADS AND FALSE PEARLS.	....	*Ad valorem*	30 per cent.
		TARIFF VALUES—			
		Glass Bangles—			
		China—			
		Nimuchi and pasalal	100 pairs	2 0 0	30 per cent.
		Bracelet, Jadi and fancy, all kinds.	,,	4 0 0	30 ,,
		Rajawarakh, all kinds	,,	7 0 0	30 ,,
		Japan—			
		Reshmi or lustre, plain or fancy, all colours—			
		Vakmel or zigzag..	doz. pairs	0 2 0	30 per cent.
		All others	,,	0 1 0	30 ,,
		Hollow or tube including new amber colour.	,,	0 2 0	30 ,,
		New gold (hollow or tube) including real gold colour.	,,	0 5 0	30 ,,
		Sonerikada (golbala)		0 3 6	30 ,,
		European—			
		Common, including plain colour, painted or flowered, but excluding vakmel or zigzag—			
		Garnet and ruby, excluding pasalal.	,,	0 4 0	30 ,,
		All colours excepting garnet and ruby, but including pasa-badrang.	,,	0 2 6	30 ,,

SCHEDULE II.—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		GLASSWARE AND EARTHENWARE —*contd.*			
94	131	GLASS BANGLES AND BEADS AND FALSE PEARLS.—*contd.*			
		TARIFF VALUES—*contd.*			
		European—contd.			
		Gilt and fancy, all sizes—			
		K. flower or pressed garnet fancy, pressed durbar, fancy enamel and fancy motimala.	doz. pairs.	0 14 0	30 per cent.
		Chandtara, Kerihira or Kalka durbar, rainbow fancy, coral fancy, Salmadar or Salma durbar and momachi.	,,	1 8 0	30 ,,
		Pasaful and machine polished, thin, including patli-flower and fancy round rings, but excluding vakmel or zigzag.	,,	0 6 0	30 ,,
		Common mirror bangles including chasma and Ranidarbar.	,,	0 9 0	30 ,,
		Pasalal	,,	0 4 0	30 ,,
		Vakmel or zigzag, plain, all colours..	,,	0 10 0	30 ,,
		Vakmel or zigzag, gilt and fancy, all colours.	,,	1 0 0	30 ,,
		HIDES AND SKINS AND LEATHER.			
95	95	HIDES AND SKINS not otherwise specified, LEATHER AND LEATHER MANUFACTURES, all sorts, not otherwise specified.	....	*Ad valorem*	15 ,,
		MACHINERY.			
96	18A	MACHINERY, namely, such of the following articles as are not otherwise specified:—	....	....	Free.
		(1) prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including power-driven road rollers, fire engines and tractors), and other machines in which the prime-mover is not separable from the operative parts;			
		(2) machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use require to be fixed with reference to other moving parts.			
		(3) apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose;			
		(4) control gear, self-acting or otherwise, and transmission-gear designed for use with any machinery above specified, including belting of all materials (other than cotton, hair and canvas ply) and driving chains, but excluding driving ropes not made of cotton;			
		(5) bare hard-drawn electrolytic copper wires and cables and other electrical wires and cables, insulated or not; and poles, troughs, conduits and insulators designed as parts of a transmission system, and the fittings thereof.			

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.* MACHINERY—*contd.* *Note.*—The term "industrial system" used in sub-clause (3) means an installation designed to be employed directly in the performance of any process or series of processes necessary for the manufacture, production or extraction of any commodity.			
97	18B	The following TEXTILE MACHINERY AND APPARATUS by whatever power operated, namely, healds, heald cords and heald knitting needles; reeds and shuttles; warp and weft preparation machinery and looms; bobbins and pirns; dobbies; Jacquard machines; Jacquard harness linen cords; Jacquard cards; punching plates for Jacquard cards; warping mills; multiple box sleys; solid border sleys; tape sleys; swivel sleys; tape looms; wool carding machines; wool spinning machines; hosiery machinery; coir mat shearing machines; coir fibre willowing machines; heald knitting machines; dobby cards; lattices and lags for dobbies; wooden winders; silk looms; silk throwing and reeling machines; cotton yarn reeling machines; sizing machines; doubling machines; silk twisting machines; cone winding machines; piano card cutting machines; harness building frames; card lacing frames; drawing and denting hooks; sewing thread balls making machines; cumbli finishing machinery; hank boilers; cotton carding and spinning machines; mail eyes; lingoes, comber boards and comber board frames; take-up motions; temples and pickers; picking bands; picking sticks; printing machines; roller cloth; clearer cloth; sizing flannel; and roller skins.	....	....	Free.
98	18C	PRINTING AND LITHOGRAPHIC MATERIAL, namely: presses, lithographic plates, composing sticks, chases, imposing tables, lithographic stones, stereo-blocks, wood blocks, half-tone blocks, electrotype blocks, roller moulds, roller frames and stocks, roller composition, standing screw and hot presses, perforating machines, gold blocking presses, galley presses, proof presses, arming presses, copper plate printing presses, rolling presses, ruling machines, ruling pen making machines, lead cutters, rule cutters, slug cutters, type casting machines, type setting and casting machines, rule bending machines, rule mitreing machines, bronzing machines, stereotyping apparatus, paper folding machines, and paging machines, but excluding ink and paper.	....	....	Free.
99	18D	COMPONENT PARTS OF MACHINERY, as defined in Serial Nos. 96, 97 and 98, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose:	....	....	Free.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		MACHINERY—*contd.*			
		Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.			
99*a*	43A	COTTON HAIR AND CANVAS PLY BELTING for machinery.	....	*Ad valorem*	5 per cent.
100	96	MACHINERY AND COMPONENT PARTS THEREOF, meaning machines or parts of machines to be worked by manual or animal labour, not otherwise specified and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one-quarter of one brake-horse-power.	....	*Ad valorem.*	15 per cent.
		METALS, IRON AND STEEL.			
101*a*	60	IRON ALLOYS	....	*Ad valorem.*	10 per cent.
101*b*	143	IRON ANGLE, channel and tee—			
		(*a*) fabricated, all qualities—			
		(*i*) of British manufacture ..	ton	....	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture ..	,,	....	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.
		(*b*) not fabricated, kinds other than galvanized, tinned or lead-coated and other than Crown or superior qualties.—			
		(*i*) of British manufacture ..	,,	....	Rs. 19.
		(*ii*) not of British manufacture ..	,,	....	Rs. 30.
101*c*	60	IRON ANGLE, channel and tee not otherwise specified (*see* Serial No. 101*b*).	....	*Ad valorem*	10 per cent.
		TARIFF VALUES.—			
		Angle, channel and tee—			
		Crown and superior qualities, not fabricated.	ton	200 0 0	10 per cent.
		Other kinds, not fabricated, if galvanized, tinned, or lead-coated.	,,	200 0 0	10 ,,
101*d*	144	IRON, common bar not galvanized, tinned or lead coated if not of any shape and dimension specified in clause (*a*) or clause (*c*) of Serial No. 102*c*—			
		(*i*) of British manufacture.. ..	,,	....	Rs. 26.
		(*ii*) not of British manufacture ..	,,	....	Rs. 37.
101*e*	60	IRON BAR AND ROD not otherwise specified (*see* Serial No. 101*d*).	....	*Ad valorem*	10 per cent.
		TARIFF VALUES.—			
		Bar and rod—			
		Qualities superior to Grade A of the British Engineering Standard Association.	ton	350 0 0	10 per cent.
		Grade A of the British Engineering Standard Association and Crown quality and intermediate qualities—			
		Over ½ inch in diameter or thickness.	,,	190 0 0	10 ,,
		½ inch and under in diameter or thickness.	,,	220 0 0	10 ,,
		Common, if galvanized, tinned, or lead-coated.	,,	180 0 0	10 ,,
101*f*	60	IRON, pig	....	*Ad valorem*	10 per cent.
		TARIFF VALUE.—			
		Iron, pig	ton	75 0 0	10 per cent.

SCHEDULE II.—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		METALS, IRON AND STEEL—*contd.*			
101*g*	60	IRON RICE BOWLS	..	*Ad valorem*	10 per cent.
		TARIFF VALUE—			
		Iron rice bowls	cwt.	20 0 0	10 per cent.
102*a*	62	STEEL, angle and tee if galvanized, tinned or lead-coated.	..	*Ad valorem*	10 per cent.
		TARIFF VALUE—			
		Angle and tee, if galvanized, tinned or lead-coated, not fabricated.	ton	180 0 0	10 per cent.
102*b*	151	STEEL, angle and tee, not otherwise specified (*see* Serial No. 102*a*) and beam, channel, zed, trough and piling—			
		(*a*) fabricated—			
		(*i*) of British manufacture.. ..	,,	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture ..	,,	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.
		(*b*) not fabricated—			
		(*i*) of British manufacture ..	,,	..	Rs. 19.
		(*ii*) not of British manufacture ..	,,	..	Rs. 30.
102*c*	62	STEEL, BAR AND ROD, the following kinds—	..	*Ad valorem*	10 per cent.
		(*a*) shapes specially designed for the reinforcement of concrete, if the smallest dimension is under ½ inch;			
		(*b*) all shapes and sizes, if—			
		(*i*) of alloy, crucible, shear, blister or tub steel, or			
		(*ii*) galvanized or coated with other metals, or			
		(*iii*) planished or polished, including bright steel shafting;			
		(*c*) other qualities, if of any of the following shapes and sizes—			
		(*i*) rounds under ½ inch diameter,			
		(*ii*) squares under ½ inch side,			
		(*iii*) flats, if under 1 inch wide and not over ⅛ inch thick,			
		(*iv*) flats not under 8 inches wide and not over ½ inch thick,			
		(*v*) ovals, if the dimension of the major axis is not less than twice that of the minor axis,			
		(*vi*) all other shapes, any size.			
		TARIFF VALUES—			
		Bar and rod—			
		Galvanized or coated with other metals, all shapes and sizes.	ton	130 0 0	10 per cent.
		Planished or polished, including bright steel shafting, all shapes and sizes.	,,	210 0 0	10 ,,
102*d*	152	STEEL, BAR AND ROD, not otherwise specified (*see* Serial No. 102*c*)—			
		(*i*) of British manufacture	,,	..	Rs. 26.
		(*ii*) not of British manufacture ..	,,	..	Rs. 37.
102*e*	62	STEEL (other than bars), alloys, crucible, shear, blister and tub.	..	*Ad valorem*	10 per cent.
102*f*	62	STEEL (other than bars), made for springs and cutting tools by any process.	..	*Ad valorem*	10 per cent.
102*g*	62	STEEL, ingots, blooms and billets, and slabs of a thickness of 1½ inches or more.	..	*Ad valorem*	10 per cent.
102*h*	153	STEEL STRUCTURES, fabricated partially or wholly, not otherwise specified, if made mainly or wholly of steel bars, sections, plates or sheets, for the construction of buildings, bridges, tanks, well curbs, trestles, towers and similar structures or for parts thereof, but not including builders' hardware (*see* Serial			

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		METALS, IRON AND STEEL—*contd.*			
		No. 84) or any of the articles specified in Serial Nos. 76, 96, 99 or 159—			
		(*i*) of British manufacture. ..	ton	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture ..	„	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.
102*i*	154	STEEL, tinplates and tinned sheets, including tin taggers and cuttings of such plates, sheets or taggers.	„	..	Rs. 48.
103*a*	61	IRON OR STEEL anchors and cables ..	..	*Ad valorem*	10 per cent.
103*b*	145	IRON OR STEEL BOLTS AND NUTS, including hook bolts and nuts for roofing.	cwt.	*Ad valorem*	Rs. 2.
103*c*	61	IRON OR STEEL expanded metal ..	..	*Ad valorem*	10 per cent.
103*d*	61	IRON OR STEEL HOOPS AND STRIPS ..	..	*Ad valorem*	10 per cent.
103*f*	61	IRON OR STEEL NAILS, rivets and washers, all sorts.	..	*Ad valorem*	10 per cent.
		TARIFF VALUES—			
		Nails, rivets and washers—			
		Nails, rose, deck, and flat-headed. .	cwt.	18 0 0	10 per cent.
		Nails, bullock and horse-shoe ..	„	45 0 0	10 „
		Nails, wire, including French ..	„	9 0 0	10 „
		Panel pins, 16 gauge and smaller ..	„	14 0 0	10 „
		Rivets, boilermakers' or structural, if black.	„	10 0 0	10 „
		Washers, black, structural.. ..	„	12 0 0	10 „
103*g*	146	IRON OR STEEL PIPES AND TUBES AND FITTINGS THEREFOR, if riveted or otherwise built up of plates or sheets—			
		(*a*) galvanized	ton	..	Rs. 33 or 17 per cent. *ad valorem*, whichever is higher.
		(*b*) not galvanized—			
		(*i*) not under ⅛ inch thick— of British manufacture ..	ton	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher.
		not of British manufacture .	ton	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.
		(*ii*) under ⅛ inch thick— of British manufacture ..	ton	..	Rs. 39 or 17 per cent. *ad valorem*, whichever is higher.
		not of British manufacture. .	ton	..	Rs. 39 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 26 per ton.
103*h*	61	IRON OR STEEL PIPES AND TUBES; also fittings therefor, that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like, excluding pipes, tubes and fittings therefor otherwise specified (*see* Serial No. 103*g*).	..	*Ad valorem*	10 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		METALS, IRON AND STEEL—*contd.*			
103*i*	147	IRON OR STEEL PLATES OR SHEETS (including cuttings, discs and circles) not under ⅛ inch thick and not of cast iron—			
		(*a*) fabricated, all qualities—			
		(*i*) of British manufacture ..	ton	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher.
		(*ii*) not of British manufacture. .	ton	..	Rs. 21 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 15 per ton.
		(*b*) not fabricated, chequered and ship, tank, bridge and common qualities—			
		(*i*) of British manufacture ..	ton	..	Rs. 20.
		(*ii*) not of British manufacture ..	ton	..	Rs. 36.
103*j*	61	IRON OR STEEL PLATES AND SHEETS (including cuttings, discs and circles) not under ⅛ inch thick, not otherwise specified (*see* Serial Nos. 102*h*, 102*i*, 103*g*, and 103*i*), whether fabricated or not.	..	*Ad valorem*	10 per cent.
		TARIFF VALUES—			
		Plates and sheets (including cuttings, discs and circles) not under ⅛ inch thick—			
		Boiler fire-box and special qualities, not fabricated.	ton	250 0 0	10 per cent.
		Galvanized, plain, not fabricated.	„	215 0 0	10 „
103*k*	61	IRON OR STEEL SHEETS (including cuttings, discs and circles) under ⅛ inch thick, whether fabricated or not, if coated with metals other than tin or zinc.	..	*Ad valorem*	10 per cent.
103*l*	148	IRON OR STEEL SHEETS (including cuttings, discs and circles) under ⅛ inch thick—			
		(*a*) fabricated—			
		(*i*) galvanized	ton	..	Rs. 33 or 17 per cent. *ad valorem*, whichever is higher.
		(*ii*) all other sorts not otherwise specified (*see* Serial No. 103*k*)—			
		of British manufacture ..	ton	..	Rs. 39 or 17 per cent. *ad valorem*, whichever is higher.
		not of British manufacture .	ton	..	Rs. 39 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 26 per ton.
		(*b*) not fabricated—			
		(*i*) galvanized	ton	..	Rs. 30.
		(*ii*) all other sorts not otherwise specified (*see* Serial Nos. 102*i* and 103*k*)—			
		of British manufacture ..	ton	..	Rs. 35.
		not of British manufacture. .	ton	..	Rs. 59.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		METALS, IRON AND STEEL—*contd.*			
103*m*	150	IRON OR STEEL RAILWAY TRACK MATERIAL—			
		A. Rails (including tramway rails the heads of which are not grooved)—			
		(*a*) (*i*) 30 lbs. per yard and over ..	ton	..	Rs. 13.
		(*ii*) fish-plates therefor	ton	..	Rs. 6 or 10 per cent. *ad valorem*, whichever is higher.
		(*iii*) spikes and tie-bars therefor—			
		of British manufacture ..	ton	..	Rs. 26.
		not of British manufacture .	ton	..	Rs. 37.
		(*b*) under 30 lbs. per yard, and fish-plates, spikes and tie-bars therefor—			
		if of British manufacture ..	ton	..	Rs. 26.
		if not of British manufacture	ton	..	Rs. 37.
		B. Switches and crossings and the like materials not made of alloy steel, including switches and crossings and the like materials for tramway rails the heads of which are not grooved—			
		(*i*) for rails 30 lbs. per yard and over.	ton	..	Rs. 14 or 17 per cent. *ad valorem*, whichever is higher.
		(*ii*) for rails under 30 lbs. per yard—			
		of British manufacture ..	ton	..	Rs. 29 or 17 per cent. *ad valorem*, whichever is higher.
		not of British manufacture.	ton	..	Rs. 29 or 17 per cent. *ad valorem*, whichever is higher, *plus* Rs. 12 per ton.
		C. Sleepers, other than cast iron, and keys and distance pieces and the like for use with such sleepers.	ton	..	Rs. 10 or 10 per cent. *ad valorem*, whichever is higher.
103*n*	61	IRON OR STEEL RAILWAY TRACK MATERIAL not otherwise specified (*see* Serial Nos 103*m* and 117) including bearing plates, cast iron sleepers and fastenings therefor, and lever-boxes.	..	*Ad valorem*	10 per cent.
103*p*	61	IRON OR STEEL TRAMWAY TRACK MATERIAL, not otherwise specified (*see* Serial No. 103*m*), including rails, fish-plates, tie-bars, switches, crossings and the like materials of shapes and sizes specially adapted for tramway tracks.	..	*Ad valorem*	10 per cent.
103*q*	61	IRON OR STEEL WIRE including fencing wire and wire rope but excluding wire netting.	..	*Ad valorem*	10 per cent.
103*s*	61	IRON OR STEEL (other than bar or rod) specially designed for the reinforcement of concrete.	..	*Ad valorem*	10 per cent.
103*t*	149A	IRON OR STEEL, the original material (but not including machinery) of any ship or other vessel intended for inland or harbour navigation which has been assembled abroad, taken to pieces and shipped for reassembly in India :	ton	..	Rs. 23 or 10 per cent. *ad valorem*, whichever is higher.
		Provided that articles dutiable under this item shall not be deemed to be dutiable under any other item.			

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
				Rs. a. p.	
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		METALS, IRON AND STEEL—*contd.*			
104	97	ALL SORTS OF IRON AND STEEL AND MANUFACTURES THEREOF, not otherwise specified.	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Iron and Steel cans or drums—			
		When imported containing kerosene and motor spirit, namely :—			
		Cans, tinned, of four gallons capacity.	can	0 8 0	15 per cent.
		Cans or drums, not tinned, of two gallons capacity—			
		(*a*) with faucet caps	can or drum	1 8 0	15 ,,
		(*b*) ordinary	,,	0 6 0	15 ,,
		Drums of four gallons capacity—			
		(*a*) with faucet caps	drum	2 3 0	15 ,,
		(*b*) ordinary	,,	1 8 0	15 ,,
		METALS, OTHER THAN IRON AND STEEL.			
105	19	CURRENT NICKEL, bronze, and copper coin of the Government of India.	..	..	Free.
106	20	GOLD AND SILVER bullion and coin and gold and silver sheets and plates which have undergone no process of manufacture subsequent to rolling .	..	..	Free.
107	132	GOLD PLATE, gold thread and wire, gold leaf and gold manufactures, all sorts not otherwise specified.	..	*Ad valorem*	30 per cent.
108	133	SILVER PLATE, silver thread and wire, silver leaf and silver manufactures, all sorts not otherwise specified.	..	*Ad valorem*	30 per cent.
109	39A	TIN, block	ton	..	Rs. 250.
110	20A	ZINC, unwrought, including cakes, ingots, tiles (other than boiler tiles), hard or soft slabs and plates, dust, dross and ashes ; and broken zinc.	..	..	Free.
111	98	ALL SORTS OF METALS OTHER THAN IRON AND STEEL, AND MANUFACTURES THEREOF, not otherwise specified.	..	*Ad valorem*	15 per cent.
		TARIFF VALUES.—			
		Aluminium circles	lb.	0 12 6	15 per cent.
		,, sheets, plain	,,	0 11 6	15 ,,
		Brass, patent or yellow metal, sheets and sheathing, weighing 1 lb. or above per square foot, and braziers, and plates.	cwt.	46 0 0	15 ,,
		Brass, patent or yellow metal (including gun metal) ingots.	,,	33 0 0	15 ,,
		Brass, patent or yellow metal (including gun metal), old.	,,	28 0 0	15 ,,
		Copper, braziers, sheets, plates and sheathing.	,,	48 0 0	15 ,,
		Copper, old	,,	33 0 0	15 ,,
		Copper, pigs, tiles, ingots, cakes, bricks and slabs.	,,	46 0 0	15 ,,
		Copper, China, white, copperware ..	lb.	3 0 0	15 per cent.
		Copper, foil or dankpana, plain, white, 10 to 11 in. × 4 to 5 in.	hundred leaves.	1 10 0	15 ,,
		Copper, foil or dankpana, plain, coloured, 10 to 11 in. × 4 to 5 in.	,,	1 12 0	15 ,,
		Lead, pig	cwt.	22 0 0	15 ,,
		Quicksilver	lb.	3 4 0	15 ,,

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		PAPER, PASTEBOARD, AND STATIONERY.			
112	99	PAPER AND ARTICLES made of paper and papier mache, pasteboard, millboard, and cardboard, all sorts, and stationery, including drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter, and other cards, including cards in booklet form, including also waste paper and old newspapers for packing, but excluding trade catalogues and advertising circulars imported by packet, book, or parcel post and postage stamps whether used or unused and paper money and paper and stationery otherwise specified.	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Old newspapers in bales and bags ..	cwt.	5 5 0	15 per cent.
		Printing paper (excluding chrome, marble, flint, poster and stereo) in which the mechanical wood pulp amounts to not less than 65 per cent. of the fibre content, glazed or unglazed, white or grey.	lb.	0 2 0	15 ,,
		Packing and wrapping paper—			
		Machine-glazed pressings	,,	0 2 6	15 ,,
		Manila, machine-glazed or unglazed, and sulphite envelope.	,,	0 2 9	15 ,,
		Kraft and imitation kraft	,,	0 2 9	15 ,,
		Straw boards	cwt.	7 0 0	15 ,,
113	155	PRINTING PAPER (excluding chrome, marble, flint, poster and stereo), all sorts which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 65 per cent. of the fibre content,	lb.	..	One anna.
114	156	WRITING PAPER—			
		(*a*) Ruled or printed forms (including letter paper with printed headings) and account and manuscript books and the binding thereof.	lb.	..	One anna or 15 per cent. *ad valorem*, whichever is higher.
		(*b*) All other sorts	,,	..	One anna.
115	21	TRADE CATALOGUES AND ADVERTISING CIRCULARS imported by packet, book, or parcel post.	..	..	Free.
116	21A	POSTAGE STAMPS, whether used or unused.	..	..	Free.
116a	21B	PAPER MONEY	..	..	Free.
		RAILWAY PLANT AND ROLLING-STOCK.			
117	63	RAILWAY MATERIALS for permanent-way and rolling-stock, namely, sleepers, other than iron and steel, and fastenings therefor; bearing plates, fish bolts and nuts, chairs, interlocking apparatus, brake-gear, shunting skids, couplings and springs, signals, turntables, weighbridges, carriages, wagons, traversers, rail removers, scooters, trollies, trucks, and component parts thereof; switches, crossings and the like materials made of alloy steel; also cranes, water-cranes and water-tanks when imported by or under the orders of a railway Administration.	..	*Ad valorem*	10 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*			
		RAILWAY PLANT AND ROLLING-STOCK—*contd.*			
		Provided that for the purpose of this entry 'railway' means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Governor-General in Council may, by notification in the *Gazette of India*, specifically include therein: Provided also that articles of machinery as defined in Serial No. 96 or No. 99 shall not be deemed to be included hereunder.			
118	63A	COMPONENT PARTS OF RAILWAY MATERIALS, as defined in Serial No. 117, namely, such parts only as are essential for the working of railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose: Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong, if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	..	*Ad valorem*	10 per cent.
		YARNS AND TEXTILE FABRICS.			
119	43B	ARTIFICIAL SILK YARN AND THREAD ..	..	*Ad valorem*	7½ per cent.
120	45	COTTON PIECE-GOODS	..	*Ad valorem*	11 per cent.
121	44	COTTON TWIST AND YARN, and cotton sewing or darning thread.	..	*Ad valorem*	5 per cent. or 1½ annas per lb., whichever is higher.
122	22	SECOND-HAND OR USED GUNNY BAG OR CLOTH made of jute.	..	..	Free.
122*a*	45B	YARN (excluding Cotton Yarn) such as is ordinarily used for the manufacture of belting for machinery.	..	*Ad valorem*	5 per cent.
123	100	YARNS AND TEXTILE FABRICS, that is to say:— Cotton thread other than sewing or darning thread, and all other manufactured cotton goods not otherwise specified. Flax, twist and yarn, and manufactures of flax. Haberdashery and millinery, excluding articles made of silk and silk mixtures. Hemp manufactures. Hosiery, excluding articles made of silk and silk mixtures. Jute, twist and yarn, and jute manufactures, excluding second-hand or used gunny bags or cloth. Silk yarn, noils and warps and silk thread. Woollen yarn, knitting wool, and other manufactures of wool, including felt. All other sorts of yarns and textile fabrics, not otherwise specified.	..	*Ad valorem*	15 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		YARNS AND TEXTILE FABRICS —*contd.*			
124	100A	SILK GOODS USED OR REQUIRED FOR MEDICAL PURPOSES, namely:—silk ligatures, elastic silk hosiery, elbow pieces, thigh pieces, knee caps, leggings, socks, anklets, stockings, suspensory bandages, silk abdominal belts, silkweb catheter tubes, and oiled silk.	..	*Ad valorem*	15 per cent.
125	45A	SILK MIXTURES, that is to say	..	*Ad valorem*	20 per cent.
		(*a*) fabrics composed in part of some other textile than silk and in which any portion either of the warp or of the weft but not of both is silk;			
		(*b*) fabrics not being silk on which silk is super-imposed such as embroidered fabrics;			
		(*c*) articles made from such fabrics and not otherwise specified (*see* Serial No. 124).			
		N. B.—For tariff values under this item *see* Serial No. 126 below.			
126	134	SILK PIECEGOODS, and other manufactures of silk not otherwise specified (*see* Serial Nos. 124 and 125).	..	*Ad valorem*	30 per cent
		TARIFF VALUES—			
		Silk piecegoods (white or coloured, plain or figured and all widths) from Japan and China (including Hongkong)—			
		Japan—			
		Paj, all kinds, including Habutai, Thama, Junken and Nankin, and including striped, printed, woven so-called (*i.e.*, swivel weave-work or Khakho embroidered), embossed and pine-apples but excluding all kinds of Shioji or Shin Paj.	lb.	20 8 0	
		Satins, Taffetas, and Kohakus, all kinds, including striped, printed, woven so-called (*i.e.*, swivel weave-work or Khakho embroidered), and embossed.	,,	22 8 0	
		Twill, all kinds	,,	24 0 0	
		Jarina (gold embroidered) ..	,,	24 8 0	
		Fugi and Boseki, all kinds ..	,,	11 0 0	
		Fancies, printed and woven so-called (*i.e.*, swivel weave-work or Khakho embroidered), including georgettes, crepes, ninons, gauzes, and all kinds of Shioji or Shin Paj.	,,	27 8 0	
		Embroideries and embroidered piecegoods, excluding Burmese scarves.	,,	44 0 0	
		Shawls, dhuties, handkerchiefs, hosiery, mufflers and scarves, excluding Burmese scarves.	,,	35 0 0	
		Dupettas and China Silk patkas.	,,	16 0 0	
		Burmese scarves—(*a*) Paj or Habutai.	,,	40 0 0	
		(*b*) Other kinds.	,,	47 0 0	
		Cotton and silk mixed satins, embroidered.	,,	14 0 0	
		Cotton and silk mixed satins, other kinds.	,,	10 0 0	
		Cotton and silk mixed hosiery ..	,,	28 0 0	
		Cotton and silk mixed Fugi and Boseki, all kinds.	,,	9 0 0	
		Silk Fents	,,	9 0 0	

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		YARNS AND TEXTILE FABRICS —*contd.*			
		TARIFF VALUES—*contd.*			
		Silk piece-goods, Etc.—*contd.*			
		China (including Hongkong but excluding Canton)—			
		Honans, all kinds, and patkas ..	lb.	7 12 0	
		Shantungs and Tussores, all kinds, including patkas.	,,	6 0 0	
		Corded, all kinds, excepting white cords.	,,	5 0 0	
		White cords, all kinds	,,	10 8 0	
		Crepe, gauze, and paj, all kinds..	,,	20 0 0	
		Satins and fancies, all kinds, including loongides and stripes, Taffetas and Pagris, all kinds.	,,	18 0 0	
		Fugi and Boseki, all kinds ..	,,	10 0 0	
		N.B.—These values are also applicable to silk mixtures under Serial No. 125 above.			
		MISCELLANEOUS.			
127	53	AEROPLANES, aeroplane parts, aeroplane engines, aeroplane engine parts and rubber tyres and tubes used exclusively for aeroplanes.	..	*Ad valorem*	2½ per cent.
128	23	ART, the following works of:—(1) statuary and pictures intended to be put up for the public benefit in a public place, and (2) memorials of a public character intended to be put up in a public place, including the materials used, or to be used in their construction, whether worked or not.	..	..	Free.
129	101	ART, works of, excluding those specified in Serial No. 128 .	..	*Ad valorem*	15 per cent.
130	24	BOOKS PRINTED, including covers for printed books, maps, charts, and plans, proofs, music manuscripts and illustrations specially made for binding in books.	..	..	Free.
131	102	BRUSHES AND BROOMS	..	*Ad valorem*	15 per cent.
132	103	BUILDING AND ENGINEERING MATERIALS, including asphalt, bricks, cement (excluding Portland Cement other than white Portland Cement), chalk and lime, clay, pipes of earthenware, tiles, firebricks not being component parts of any article included in Serial No. 96 or No. 117 and all other sorts of building and engineering materials not otherwise specified including bitumen and other insulating materials.	..	*Ad valorem*	15 per cent.
133	104	CANDLES	..	*Ad valorem*	15 per cent.
134	8A	CHINA CLAY	..	..	Free.
135	105	CINEMATOGRAPH FILMS	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Exposed standard positive films, new or used—			
		Proved to have been printed from negatives produced in India.	Foot	0 1 0	15 per cent.
		Others	,,	0 4 6	15 ,,
136	106	CORDAGE AND ROPE AND TWINE OF VEGETABLE fibre not otherwise specified.	..	*Ad valorem*	15 per cent.
		TARIFF VALUE—			
		Coir yarn	cwt.	13 0 0	15 per cent.

SCHEDULE II—IMPORT TARIFF—*contd.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*contd.*		Rs. a. p.	
		MISCELLANEOUS—*contd.*			
137	106A	FIREWORKS specially prepared as danger or distress lights for the use of ships.	..	*Ad valorem*	15 per cent.
138	135	FIREWORKS not otherwise specified (*see* Serial No. 137).	..	*Ad valorem*	30 per cent.
139	107	FURNITURE TACKLE AND APPAREL, not otherwise described, for steam-sailing, rowing and other vessels.	..	*Ad valorem*	15 per cent.
140	136	IVORY, manufactured	..	*Ad valorem*	30 per cent.
141	137	JEWELLERY AND JEWELS..	..	*Ad valorem*	30 per cent.
141*a*	24A	LIGHT SHIPS	..	..	Free.
142	46	MATCHES—			
		(1) In boxes containing on the average not more than 100 matches.	gross of boxes.	..	Rs. 1-8.
		(2) In boxes containing on the average more than 100 matches.	For every 25 matches or fraction thereof in each box, per gross of boxes.	..	Six annas.
143	46A	UNDIPPED SPLINTS such as are ordinarily used for match making.	lb.	..	Four annas and six pies.
144	46B	VENEERS such as are ordinarily used for making match boxes, including boxes and parts of boxes made of such veneers.	lb.	..	Six annas.
145	108	MATS AND MATTING	..	*Ad valorem*	15 per cent.
146	109	OILCAKES	..	*Ad valorem*	15 per cent.
147	110	OILCLOTH AND FLOOR CLOTH	..	*Ad valorem*	15 per cent.
148	111	PACKING—ENGINE AND BOILER—ALL SORTS, excluding packing forming a component part of any article included in Serial Nos. 96 and 117.	..	*Ad valorem*	15 per cent.
149	112	PERFUMERY, not otherwise specified ..	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Gowla, husked and unhusked ..	cwt.	65 0 0	15 per cent.
		Kapurkachri (zedoary)	,,	26 0 0	15 ,,
		Patch leaves (patchouli)	,,	35 0 0	15 ,,
		Rose-flowers, dried	,,	20 0 0	15 ,,
150	113	PITCH, tar and dammer	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Coal pitch	cwt.	5 0 0	15 per cent.
		Stockholm pitch	,,	18 0 0	15 ,,
		Stockholm tar	,,	15 0 0	15 ,,
		Dammer Batu	,,	8 0 0	15 ,,
151	114	POLISHES AND COMPOSITIONS	..	*Ad valorem*	15 per cent.
152	46C	PORTLAND CEMENT excluding white Portland Cement	ton	..	Rs. 9.
153	46D	PRINTER'S INK	..	*Ad valorem*	5 per cent.
154	54	The following PRINTING MATERIAL, namely, type, leads, brass rules, wooden and metal quoins, shooting sticks and galleys and metal furniture.	..	*Ad valorem*	2½ per cent.
155	138	PRINTS, ENGRAVINGS AND PICTURES, (including photographs and picture post cards) not otherwise specified.	..	*Ad valorem*	30 per cent.
156	55	RACKS for the withering of tea leaf ..	..	*Ad valorem*	2½ per cent.
157	24B	ROPES, cotton	..	..	Free.

SCHEDULE II—IMPORT TARIFF—*concld.*

Serial No.	No. in the Statutory Schedule.	Names of Articles.	Per	Tariff values.	Duty.
		III.—Articles Wholly or Mainly Manufactured—*concld.*		Rs. a. p.	
		MISCELLANEOUS—*contd.*			
158	115	RUBBER TYRES AND OTHER MANUFACTURES OF RUBBER, not otherwise specified (*see* Serial No. 127).	..	*Ad valorem*	15 per cent.
159	64	SHIPS AND OTHER VESSELS FOR INLAND AND HARBOUR NAVIGATION, including steamers, launches, boats and barges imported entire or in sections: Provided that articles of machinery as defined in Serial No. 96 or No. 99 shall, when separately imported, not be deemed to be included hereunder.	..	*Ad valorem*	10 per cent.
160	140	SMOKERS' REQUISITES, excluding tobacco (Serial Nos. 27 to 30) and matches (Serial No. 142).	..	*Ad valorem*	30 per cent.
161	116	SOAP	..	*Ad valorem*	15 per cent.
		TARIFF VALUE—			
		Soft Soap	cwt.	15 8 0	15 per cent.
162	24C	STARCH AND FARINA	..	..	Free.
162*a*	24D	STONE PREPARED as for road metalling	..	..	Free.
163	118	STONE AND MARBLE, and articles made of stone and marble but excluding stone prepared as for road metalling.	..	*Ad valorem*	15 per cent.
164	119	TOILET REQUISITES, not otherwise specified	..	*Ad valorem*	15 per cent.
165	141	TOYS, games, playing cards and requisites for games and sports, including bird-shot, toy cannons, air guns and air pistols for the time being excluded, in any part of British India, from the operation of all the prohibitions and directions contained in the Indian Arms Act, 1878; and bows and arrows.	..	*Ad valorem*	30 per cent.
		TARIFF VALUE—			
		Bird-shot	cwt.	36 0 0	30 per cent.
166	120	ALL OTHER ARTICLES WHOLLY OR MAINLY MANUFACTURED, not otherwise specified.	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Bangles—			
		Celluloid, plain, flat, with and without border and grooved but excluding double border.	dozen pairs.	1 14 0	15 per cent.
		Celluloid (rubber) rings excluding coils.	,,	0 6 0	15 ,,
		IV.—Miscellaneous and Unclassified.			
167	25	ANIMALS, living, all sorts..	..	..	Free.
168	121	CORAL	..	*Ad valorem*	15 per cent.
169	57	FODDER, BRAN and POLLARDS	..	*Ad valorem*	2½ per cent.
169*a*	25A	INSIGNIA AND BADGES of official and British and Foreign orders.	..	..	Free.
170	26	SPECIMENS, models and wall diagrams illustrative of natural science, and medals and antique coins.	..	..	Free.
171	122	UMBRELLAS, including parasols and sunshades, and fittings therefor.	..	*Ad valorem*	15 per cent.
		TARIFF VALUES—			
		Umbrella ribs other than nickelled, brassed, fluted or metal tipped—			
		Solid Flexus, all sizes—			
		From Japan	*Dozen sets of 8.*	1 10 0	*15 per cent.*
		From other countries ..	,,	2 5 0	15 ,,
		Solids, 23, 25 and 27 inches ..	Dozen sets of 12.	2 5 0	15 ,,
		Solids, 16, 19 and 21 inches ..	Dozen sets of 8.	1 4 0	15 ,,
172	123	ALL OTHER ARTICLES NOT OTHERWISE SPECIFIED, including articles imported by post.	..	*Ad valorem*	15 per cent.

SCHEDULE III—EXPORT TARIFF.

No. in the Statutory Schedule	Names of Articles.	Per	Tariff values.	Duty.
	JUTE, OTHER THAN BIMLIPATAM JUTE.		Rs. a. p.	Rs. a.
1	RAW JUTE—			
	(1) Cuttings	Bale of 400 lbs.	..	1 4
	(2) All other descriptions	,,	..	4 8
2	JUTE MANUFACTURES, when not in actual use as coverings, receptacles or bindings, for other goods—			
	(1) Sacking (cloth, bags, twist, yarn, rope and twine).	Ton of 2,240 lbs.	..	20 0
	(2) Hessians and all other descriptions of jute manufactures not otherwise specified. *	,,	..	32 0
	HIDES AND SKINS.			
3	RAW HIDES AND SKINS †..	..	*Ad valorem*	5 per cent.
	TARIFF VALUES—			
	If exported from Burma—			
	(1) Arsenicated and air-dried hides—			
	(*a*) Cows (including calf skins) .	lb.	0 6 3	5 per cent.
	(*b*) Buffaloes (including calf skins)	,,	0 3 6	5 ,,
	(2) Dry salted hides—			
	(*a*) Cows (including calf skins) ..	,,	0 4 9	5 ,,
	(*b*) Buffaloes (including calf skins)	,,	0 2 9	5 ,,
	(3) Wet salted hides—			
	(*a*) Cows (including calf skins) ..	,,	0 3 6	5 ,,
	(*b*) Buffaloes (including calf skins)	,,	0 2 0	5 ,,
	(4) Goat and kid skins	Piece	0 13 6	5 ,,
	(5) Sheep skins	,,	0 8 0	5 ,,
	If exported from any place in British India other than Burma—			
	(1) Arsenicated and air-dried hides—			
	(*a*) Cows (including calf skins) { Framed ..	lb.	0 9 6	5 ,,
	{ Unframed.	,,	0 6 0	5 ,,
	(*b*) Buffaloes (including calf skins) { Framed ..	,,	0 7 0	5 ,,
	{ Unframed.	,,	0 4 6	5 ,,
	(2) Dry salted hides—			
	(*a*) Cows (including calf skins) ..	,,	0 6 6	5 ,,
	(*b*) Buffaloes (including calf skins)	,,	0 3 6	5 ,,
	(3) Wet salted hides—			
	(*a*) Cows (including calf skins) ..	,,	0 4 0	5 ,,
	(*b*) Buffaloes (including calf skins)	,,	0 2 6	5 ,,
	(4) Goat and kid skins	Piece	1 8 0	5 ,,
	(5) Sheep skins	,,	1 0 0	5 ,,
	RICE.			
4	RICE, husked or unhusked, including rice flour, but excluding rice bran and rice dust, which are free.	Indian maund of 82⅔ lbs. avoirdupois weight.	..	Three annas.

* Under Government of India Notification No. 1428, dated 17th November 1923, Jute Rags such as are used for paper making, are exempt from payment of export duty provided that the Customs Collector is satisfied that they are useless for any purpose to which cloth or rope is ordinarily put.

† Under Government of India, Finance Department (Central Revenues) Notification No. 35, dated the 25th September 1926, hide and skin cuttings and fleshings, such as are used for glue-making, are exempt from payment of export duty.

APPENDIX 44.

DEDUCTIONS FROM WAGES OR PAYMENTS IN RESPECT OF FINES.

No. 1666.

LABOUR OFFICE, SECRETARIAT,
BOMBAY, 14*th April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Deductions from Wages or Payments in respect of Fines.*

In September of last year I sent you a letter enclosing a copy of a letter from the Government of India and the draft of a questionnaire on the subject noted above prepared by this office.

The questionnaire and schedule were submitted to you amongst others for criticism before it was issued and both were slightly modified before issue in the light of the criticisms received. I am enclosing a copy of the* questionnaire and* schedule used for the textile industry. These were used with slight variations in minor particulars for factories and other establishments. It was decided to take the first ten months of the year 1926 for the textile industry and the year 1925 for all the other groups of factories and establishments to be covered.

In my letter under reference, I also suggested that you might prefer to defer your comment on the Government of India letter, until the Labour Office had made its enquiry and was able to give some definite information regarding the subject of deductions from wages or payments in respect of fines. The enquiry has now been completed and I attach a summary hereto.

The enquiry was designed to cover as many of the industrial wage earners of the Bombay Presidency as possible. Every known factory in the Bombay Presidency was addressed together with all railway organisations, Government, local fund, and non-factory establishments, public utility companies, and steamship companies. All the municipalities in the Presidency were asked to furnish information. The questionnaire and schedule were also sent to the big shops and stores, hotels, theatres, cinemas, clubs in so far as lists of these establishments were available. It was also considered desirable to approach offices employing clerical labour such as banks, Government offices, railway and public utility administrations, and the larger commercial firms, solicitors' offices, insurance companies, etc. Altogether about 2,250 letters were issued and replies were received from about 1,300. Almost all the large labour-employing organisations furnished information, those who did not being chiefly small factories and gins and presses and small offices employing clerical labour.

* Not Printed.

The table below gives particulars of the returns received from the different groups :—

Groups of Establishments covered.	Number addressed.	Number of Returns.
I. Textile Mills—		
(*a*) In Bombay	83	76
(*b*) ,, Ahmedabad	63	49
(*c*) ,, Sholapur and Other Centres ..	30	19
II. Factories (excluding Textile Mills)—		
(*a*) Government and Local Fund.. ..	54	32
(*b*) Ordinary Factories	484	277
(*c*) Gins and Presses	600	400
III. Public Utility Establishments	24	18
IV. Municipalities	157	18
V. Government and Other Non-factory Establishments	25	15
VI. Offices of Steamship Lines	47	12
VII. Offices	350	180
VIII. Miscellaneous Establishments (Shops, Stores, Hotels, Restaurants, Clubs, Theatres, etc.)	325	85
Nil Returns and Returns not received in time ..	..	75
Total ..	2,242	1,306

The table below shows the number of establishments among those sending in returns in which fines are stated to be inflicted :—

Groups of Establishments covered.	Number of Returns.	Number of Concerns in which fines were inflicted.
I. Textile Mills—		
(*a*) In Bombay	76	76
(*b*) ,, Ahmedabad	49	49
(*c*) ,, Sholapur and Other Centres ..	19	19
II. Factories (excluding Textile Mills)—		
(*a*) Government and Local Fund	32	23
(*b*) Ordinary Factories	277	75
(*c*) Gins and Presses	400	30
III. Public Utility Establishments..	18	18
IV. Municipalities	68	57
V. Government and Other Non-factory Establishments	15	11
VI. Offices of Steamship Lines	12	12
VII. Offices	180	48
VIII. Miscellaneous Establishments (Shops, Stores Hotels, Restaurants, Clubs, Theatres, etc.)	85	23
Total ..	1,231	441

The question of inflicting fines on seamen is adequately governed by the Indian Merchant Shipping Act, 1923. All fines inflicted on seamen are deducted from wages paid on discharge and are handed over to the Government Shipping Master at the port of discharge. Statistics regarding the amounts of such deductions were not available.

It will, I think, be agreed that the enquiry was sufficiently comprehensive and the information received appears to be adequate for the purpose of expressing an opinion on the question under reference.

I enclose a copy* of the Government of India letter upon which the enquiry was based, and I should be glad to have your views on this and more particularly upon the following points :—

(*a*) Whether, in your opinion, the system of inflicting fines on industrial workers is so prevalent as to constitute an evil of such proportions as to require penal legislation to deal with it ; and

(*b*) If your reply to (*a*) is in the affirmative, (*i*) in what respects and under what heads do you suggest legislation should be initiated, and (*ii*) what should be the scope of the legislation and the authority who should enforce it ? and

(*c*) If your reply to (*a*) is in the negative, do you consider that any other action is desirable ?

The summary attached to this letter gives the information required under different headings in order that criticisms on particular points may be facilitated.

The information given in the summary is closely compressed and the Labour Office proposes to publish, at a later date, a full report covering, in detail, all the points raised in the questionnaire and the schedule.

I should be glad if you could give this matter your very early attention and let me have your reply by May 31st at the latest.—I have, etc.,

J. F. GENNINGS,
In-charge Labour Office.

DEDUCTIONS FROM WAGES OR PAYMENTS IN RESPECT OF FINES.

Summary of the Results of the Labour Office Enquiry.

System of Fining.—The system of making deductions from wages or payments in respect of fines is general in the textile industry in all parts of the Bombay Presidency. With regard to factories, the system exists in almost all Government and local fund factories and in the majority of the more organized and larger workshops. It is also associated with municipalities, factories and establishments regularly working throughout the year. It does not appear to be the general practice in seasonal establishments such as gins and presses. In offices the system is almost wholly limited to the fining of peons and menials in the establishments where the system exists, although a few cases are reported where clerks were also occasionally fined. Among the classes of concerns included in the group " Miscellaneous Establishments " fining is general in the larger hotels, clubs and restaurants but is absent in most of the larger commercial organizations such as shops, stores, etc.

Rules.—All textile mills in Bombay City have printed rules and regulations governing conditions of employment, dismissal with or without forfeiture of wages, fines, etc. Only 3 mills in Ahmedabad City reported the existence of such rules. In the mills in the remaining centres of the Bombay Presidency rules are occasionally found to exist. All municipalities and Government and local fund factories have properly drawn up rules which, among other things, lay down the conditions under which fines may be imposed. The infliction of fines is also governed by prescribed rules in railway workshops, the larger and the better organized factories, in large public utility companies and in some of the larger non-factory establishments. If the results of the enquiry as a whole are considered, it would appear that outside the textile mills in Bombay and the larger workshops, rules setting out the conditions of fining are the exception and not the rule.

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* Not printed. Please see page 359 of 1926 Report.

Delegation of power to Fine.—The object of the insertion of this question in the questionnaire was to ascertain the extent to which fines could be inflicted in industrial establishments by persons in the position of foremen, jobbers, mukadams, etc. Only one or two textile mills in Bombay reported that the power was delegated to jobbers. In many of the Ahmedabad mills, this power rests with special employees who are called 'detectors.' With the exception of these cases, all the remaining factories and concerns reported that the power to fine rests with the heads of departments. In some cases, a confirmation is required by the manager or superintendent in charge of the whole establishment. In the smaller concerns, the proprietors who act also as managers reserve the power to themselves.

The manner in which the conditions under which Fines are inflicted are made known to the Employees.—With the exception of a few workshops and factories which give employment tickets or check cards with the main rules under which fines are inflicted printed on their reverse, no endeavours appear to have been made to communicate to employees the conditions under which fines are imposed beyond posting the rules, where they exist, in prominent positions. In the majority of cases, the reporting concerns stated that such rules and conditions were known by custom or usage—the few notable exceptions being the few mills and factories which maintain records of signatures or thumb impressions signifying that the rules have been made known to the signatories.

Prescription of limits within which Fines may be imposed.—With the exception of the Railway Workshops, the larger Public Utility Companies, Municipalities, some of the larger Government and Non-Government factories and Non-Factory establishments no limits appear to have been prescribed with regard to the extent to which fines may be inflicted.

Offences for which Fines are inflicted.—The offences for which fines are inflicted are generally breaches of discipline, insubordination, disobedience, bad or negligent work, careless or negligent loss of or damage to tools or machinery, etc. In some cases, special lists of further offences connected with the nature of the work undertaken are drawn up. Deductions made from wages in respect of *actual fines* for bad or negligent work do not appear to cover the loss sustained by the employer with regard to the spoilt or damaged article, but appear to be, in most cases (to quote the Government of India's letter), " *bona fide* fines inflicted as correctives."

Disposal of Fines.—A few textile mills in the Presidency utilize all amounts collected through the infliction of fines for welfare work. In almost all departments connected with the larger railway organizations, fine collections are credited to special Fines Funds which are utilized for the general well being of railway employees. Similar funds are found to exist in a few Government and non-Government establishments. In some clubs and offices, fines are utilized for giving annual bonuses to employees who do good work. With the exception of these and the few concerns who utilize fines for donations to various charities, the great majority of the establishments covered by this enquiry appropriate all fines to "Revenue."

Supply of particulars regarding Fines and time of intimation.—Speaking generally, the employee fined is given full particulars relating to the fine at the time of the occurrence necessitating it. In the case of some municipalities and a few of the larger workshops, the procedure is more elaborate. The offence for which a fine is intended to be inflicted is put down on a "charge-sheet" and the worker is asked to record his explanation—a fine being imposed only if the explanation tendered is unsatisfactory. In some cases, appeals against fines inflicted by subordinate officers in the position of heads of departments lie to the controlling authority.

Deductions made for Spoilt or Damaged Material handed over to the Workers.—Out of the 144 textile mills in the Presidency which furnished information on this subject, 84 mills or 58.3 per cent. reported that deductions were made from wages in respect of material spoilt or damaged during manufacture and handed over to the workers concerned. In most cases, the deduction is made at the price at which the article would have been sold had it not been spoilt or damaged and only in a few cases at actual manufacturing cost or at a price intermediate between the cost and the selling value of the undamaged article. This practice is very rare in factories and establishments outside the textile industry.

All amounts realized in respect of these deductions are generally credited to the "Sales Account" except in the case of a few mills in Ahmedabad where a certain percentage of such deductions is handed over to detecting folders.

Deductions from wages for supply of Tools and Materials.—Speaking generally, there are few deductions made from wages in the Bombay Presidency on account of charges for supply of tools or materials to workers. In cases where such deductions were reported they appeared to be on account of the supply of special tools to special workers. In the textile industry, some mills require weavers to provide themselves with their own reed hooks and combs and in cases where these are supplied by the mill, their cost is recovered in cash or by deductions from the wages bill. The conditions governing such deductions, where they exist, are made known to the workers concerned prior to engagement.

Experience of Workers preferring Resignation to being Fined.—A few cases were reported where a worker preferred to resign rather than be fined, but the evidence with regard to this question is overwhelming that workers generally prefer to be fined rather than to forfeit their service instead.

Suspension.—The punishment of suspension is general in municipalities and in Government establishments. A few of the larger workshops inflict no fines at all and only punish offenders by suspending them from work for some days. This form of punishment is also found to exist in railways, other public utility companies and some of the larger non-factory organizations in addition to a few concerns in all the other groups.

Fines for Lateness and Non-attendance.—Speaking generally, some sort of punishment for late attendance is universal except in the case of the majority of the seasonal factories such as gins and presses. In some cases, employees are not admitted to work after a period of grace has expired. In some others, 'pay for work' is the rule ; *i.e.*, employees only receive pay for the actual number of hours worked. But in the majority of cases where late attendance is punished by the infliction of a fine, the fine is either a fixed amount or it is graded according to the number of minutes late.

Non-attendance is similarly punished in various ways. In the mills in Sholapur City, the "double khada" rule is observed—loss of two days' wages for each day's absence without leave. This practice is also followed in various mills and factories in all parts of the Presidency. In some cases, the penalty for continued absence without leave over a number of days (prescribed in most cases), is dismissal with or without forfeiture of wages. In some other cases, absence without leave is punished by set fines. In almost all cases, wages are not given for the days of absence.

Rewards or Bonuses for Better Work.—Out of the 144 reporting textile mills in the Presidency, 76 mills or 52.8 per cent. stated that bonuses were given for turning out work better than specified standards. Several gins and presses also reported that such bonuses are granted but in the majority of such cases, these rewards take the form of annual bonuses given on the result of a season's working. 31 ordinary factories reported that such bonuses are given. In establishments which do not follow this practice, better work is rewarded by accelerated promotion. Speaking generally, bonuses for better work are not granted in railways, public utility companies, municipalities, commercial offices and Government and other non-factory organizations.

Bonuses for Regular Attendance.—Bonuses for regular attendance are generally given in the textile industry, no fewer than 110 or 76.4 per cent. of the reporting mills stating that such bonuses were granted. Similar bonuses are also given in several factories and other establishments covered in the enquiry.

Advances, Interest and Co-operative Societies.—Advances against wages due are granted in the majority of instances in all groups of establishments with the exception of municipalities and Government concerns. Outside the textile mills, no interest is charged for advances given except in three factories. The charging of interest is, however, only found to exist to any appreciable extent in the case of the Ahmedabad mills where the rates charged vary from 18 per cent. per annum to 150 per cent. per annum. In many cases, advances are permitted to be granted by privileged *pedhiwallas* or grain-dealers at similar rates of interest.

The co-operative credit movement has not penetrated to any appreciable extent among industrial workers. Out of 76 reporting mills in Bombay, only 23 mills stated that co-operative credit societies existed. In Ahmedabad no co-operative credit societies were reported as attached to any particular mill. In the mills in other centres, six out of the 19 reporting mills stated that this provision had been made. Outside the textile industry, co-operative credit societies only appear to be attached to some of the larger municipalities, railway organizations and other Government factory and non-factory establishments and to a few of the larger non-Government organizations.

Results of the Tabulations from the Schedules.

Group I : Deductions in respect of Fines.—It is not necessary for the purposes of this summary to combine the various types of figures returned for the enquiry by different groups of establishments, nor would it be advisable to collate figures for different groups of establishments together, principally on account of the fact that the enquiry for the textile industry related to the first ten months of the year 1926 and for the remaining establishments covered the calendar year 1925. Summary tables are given below, separately, (*a*) for textile mills and (*b*) all other factories put together for those concerns which gave properly classified data under group I of the schedule.

The Textile Industry.—The following table shows the deductions made in respecf of fines under each sub-head under group I together with the numbers of instances in which fines were inflicted in 45 textile mills in all parts of the Bombay Presidency employing an average daily number of 90,819 workers, comprising 68,754 men, 20,568 women and 1,497 children, with a total wages bill of Rs. 2,63,89,592-14-8. Only 45 mills correctly gave the information in the detailed manner in which it is set out here.

Subject of deduction.	Number of *instances* in which fines were inflicted during the first ten months of the year 1926.			Total amount of deductions made in respect of fines.		
	Men.	Women.	Children.	Men.	Women.	Children.
				Rs. a. p.	Rs. a. p.	Rs. a. p.
FINES FOR—						
(*a*) Breaches of discipline or establishment rules	14,782	6,332	44	4,259 3 6	1,161 14 3	11 10 9
(*b*) Bad or negligent work ..	284,951	15,334	11	68,223 6 3	2,585 6 6	1 6 6
(*c*) Loss of and injury or damage to materials, tools, machinery or plant belonging to the employer	11,568	1,077	236	4,371 13 6	225 12 0	19 15 0
(*d*) Fines for any other purposes than those enumerated in (*a*), (*b*) or (*c*).. ..	6,928	1,911	932	1,432 12 9	185 6 6	115 13 0
Total ..	318,229	24,654	1,223	78,287 4 0	4,158 7 3	148 13 3

An examination of the above table shows that fines for offences connected with bad and negligent work predominated both in the case of men and women operatives, the proportions of instances under this head to the total number of offences for which fines were inflicted being 89.54 per cent. in the case of men and 62.20 per cent. in the case of women. The incidence of fines for bad or negligent work works out to 3 annas and 10 pies for offences committed by men and 2 annas and 8 pies for offences committed by women. This suggests that fines of this nature are, generally, *bona fide* fines inflicted as correctives and not with a view to recompense the employer for damage sustained. An important caveat to this statement, however, is the fact that in the textile industry, nearly 60 per cent. of the reporting mills hand over spoilt or damaged material to the workers concerned and recover the cost—generally at the selling price of the undamaged materials—from the workers' wages. This practice is dealt with in a subsequent paragraph ; but it will be obvious that the real extent of the worker's financial loss depends upon the price he obtains for the article and on that point no information is available.

In the case of children, fines were inflicted in 76.20 per cent. of the instances for reasons other than breaches of discipline, bad or negligent work and loss of or injury to materials, tools, etc. Fines, in the case of children, are generally for loss of identification tokens. The incidence of fines under this head works out at 2 annas per offence. If all offences are considered together, the incidence of fining works out at 3 annas and 11 pies per offence in the case of men, 2 annas and 8 pies per offence in the case of women and 1 anna and 11 pies in the case of children. The proportion of total fines to the total wages bill for the 45 textile mills covered by the statistics contained in the above table works out at .313 per cent.

Many mills did not give particulars under the separate heads (*a*), (*b*), (*c*) and (*d*) of group I of the schedule but gave combined figures for one or more of the four sections. It has been possible, however, to obtain from these returns figures showing (*a*) the wages bill; (*b*) the numbers of workers employed; and (*c*) the total amount of fines inflicted. Grouping these figures, it is found that in the case of 66 textile mills in Bombay City employing 146,753 work-people, comprising 113,506 men, 33,192 women and 55 children, with a total wages bill of Rs. 4,73,83,399-5-3 for the first ten months of the year 1926, the total fines inflicted amounted to Rs. 1,18,707-1-0 or .25 per cent. of the wages bill.

In the 30 mills in Ahmedabad, which supplied similar information, the total amount of fines inflicted was Rs. 1,02,488-3-9, as against a total wages bill of Rs. 1,01,66,873-0-9 for 31,396 workers, comprising 24,170 men, 6,087 women and 1,139 children. The proportion of fines to wages in this case amounts to 1.01 per cent.

For 16 mills in Sholapur and other centres employing 26,134 workers, comprising 18,390 men, 5,732 women and 2,012 children, with a total wages bill of Rs. 49,80,528-7-0 the total amount inflicted in fines during the period covered was Rs. 21,268-3-9 or .43 per cent. of the wages bill.

If the above figures are combined for all the textile mills in the Bombay Presidency, it is found that in 112 mills employing 204,283 workers, comprising 156,066 men, 45,011 women and 3,206 children, with a total wages bill of Rs. 6,25,30,800-13-0, the total amount of fines inflicted was Rs. 2,42,463-8-6 or .39 per cent. of the wages bill.

Factories (Excluding Textile Mills only).—The following table presents statistics in respect of 25 factories and workshops employing 25,359 work-people, comprising 25,031 men, 251 women and 77 children with a total wages bill of Rs. 88,17,523-2-1 for the year 1925, who furnished detailed information under group I (*a*), (*b*), (*c*) and (*d*).

Subject of deduction.	Number of instances in which fines were inflicted during the year 1925.			Total amount of deductions made in respect of fines inflicted.		
	Men.	Women.	Children.	Men.	Women.	Children.
				Rs. a. p.	Rs. a. p.	Rs. a. p.
FINES FOR—						
(*a*) Breaches of discipline or establishment rules	6,785	..	..	5,274 1 9	..	..
(*b*) Bad or negligent work ..	2,678	1	..	4,434 0 4	1 0 0	..
(*c*) Loss of and injury or damage to materials, tools, machinery or plant belonging to the employer	1,659	1	20	1,787 14 1	5 0 0	10 0 0
(*d*) Fines for any other purposes than those enumerated in (*a*), (*b*) or (*c*)	2,799	..	..	4,437 5 6	..	..
Total ..	13,921	2	20	15,933 5 8	6 0 0	10 0 0

An examination of the above table shows that fines are inflicted in factories for breaches of discipline to a greater extent than for bad or negligent work, the proportion of instances under this head to total instances amounting to 48.74 per cent. Women operatives were only fined in 2 cases—Rs. 5 in one case and Re. 1 in the other. The incidence of fining per offence works out at Rs. 1-2-4 for men, Rs. 3 for women and 8 annas for children, and the proportion of total fines to the total wages bill amounts to .18 per cent.

Groups II, III and IV—Other Deductions.—In view of the fact that the figures returned on account of deductions made from wages under the various other heads included in the schedule were not capable of tabulation in summary form, no attempt has been made to collate the different sets of figures—which will, however, be given in the main report—for the purposes of this summary. Short notes are, however, given with regard to each head of deduction.

Deductions for Materials, etc., provided by Employer.—The returns under this head were negligible—the general practice appearing to be to make no deductions from wages for the supply of tools, materials, etc., provided by employers.

Supply of Water.—Deductions under this head are fairly frequent but appear to be confined to charges made in special cases only, e.g., for the wages to be paid to Brahmins for keeping and serving out water to Brahmin employees.

Medicines and Medical Attendance.—Deductions from wages for the supply of medicines and medical attendance appear to be confined to a small percentage of mills in the textile industry.

Rent for Lodging.—Almost all establishments which provide housing for their employees recover rents from the house holders by deductions from their wages. In most cases, as the results of the "welfare work" enquiry showed, the rents charged are below economic rent and the deductions made do not show that any employers penalize their workmen in this matter.

Supply of Food.—Deductions on this account are mostly for the supply of food-grains from the cheap grain shops attached to the establishments concerned. The grain is sold either at cost price or at a price sufficient to cover overhead charges as well. In the Sholapur mills, good attendance bonuses take the form of the right to purchase 18 seers of *jowari* and 2 seers of *turdal* at a price which works out at about 60 per cent. of the actual cost. Factories which produce consumable articles of food, often give their workers the article produced at cost price and deduct its value from wages earned.

Education.—No deductions of any importance were shown under this head—the few cases reported being amounts collected from the better paid employees for the school fees of their children in the institutes attached to the organizations concerned.

Provident Fund.—Deductions under this head are generally confined to Government organizations, public utility concerns and to the larger non-factory establishments such as the Port Trusts, etc., and in a very few cases to private factories and establishments. These deductions take the form of percentages of the wages earned by contributors who elect to subscribe to the funds concerned.

Accident Compensation.—These deductions were only shown in four cases where employees not covered by the Workmen's Compensation Act, 1923, desired to be protected against accidents.

Provision of Creches.—No deductions of any kind under this head were shown in any of the schedules returned.

Reading Room and Library.—Deductions on this account were returned by establishments mainly connected with railways for subscriptions from the better paid employees for the use of the institutes provided.

Interest on Advances.—All the textile mills in Bombay and Ahmedabad which charge interest on advances granted to their employees did not furnish figures in the schedules in respect of actual deductions made. The evidence collected, however, goes to show that such deductions are frequently made.

Any Other Services.—Deductions shown under this head related, in the case of one or two textile mills in Ahmedabad, to the charges made against weavers for employing beam carriers, and in some other cases for entertainments, etc., provided by the employer.

Compulsory contributions to Charity.—Although this system does not appear to be practised in the greater majority of cases, a few returns show deductions on this account.

Deductions for Articles Spoilt or Damaged by Workers during manufacture and subsequently made over to the workers concerned.—Deductions of this type are almost entirely confined to textile mills. In summarising the results of the returns as shown by the questionnaire it was stated that 84 mills or 58.3 per cent. of the reporting mills in the Bombay Presidency adopted this practice. In the 46 mills which gave statistics regarding both the amounts realized for such deductions and the number of instances in which they were effected it was found that these deductions amounted to Rs. 1,60,326-5-4 and were deducted in 50,981 instances. The incidence per deduction works out at Rs. 3-2-4. It is not necessary in this case to compare these figures either with the total wages bill or with the total number of workers employed because such deductions are mainly confined to weavers only. Moreover, as indicated in a previous paragraph, the net loss to the worker cannot be determined.

No. 933/93 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st June*, 1927.

THE DIRECTOR OF INFORMATION AND LABOUR INTELLIGENCE,
LABOUR OFFICE, BOMBAY.

SIR,

SUBJECT :—*Deductions from Wages or Payments in respect of Fines.*

I have the honour to acknowledge receipt of your letter dated 14th April 1927 with enclosures, and to give below the considered views of my Committee on the questions raised in the Government of India's circular letter dated 25th June 1926.

2. In the opening paragraph of the Government of India's letter it is correctly stated that the system of inflicting fines upon workmen is common in Indian industrial establishments, but my Committee are surprised to learn that it has been suggested in the Central Legislature, in the Press, and elsewhere that the prevailing system constitutes an evil of such proportion that steps should be taken to abolish the system altogether or to reduce it to such dimensions as to prevent abuse. This view, my Committee desire me to point out, is altogether without foundation and could not possibly have emanated from well-informed quarters.

3. So far as the cotton textile industry and other industries of the Bombay Presidency are concerned, the very detailed and exhaustive investigations made by your Department have conclusively established that the system of inflicting fines prevailing in the Presidency has led to little or no abuse, and even the most ardent champion of labour who attentively peruses the summary of the inquiry instituted by your office will probably agree that there are no grounds for introducing legislation on the lines indicated in the Government of India's letter.

4. The main result of your inquiry may be summarised in the statement that in 112 cotton mills with a total wages bill of Rs. 6,25,30,800, the total amount of fines inflicted was Rs. 2,42,463, or .39 per cent. of the wages bill, and in the case of factories other than textile mills, the total amount of fines inflicted bore the same infinitesimal percentage to the total wages bill. It will be readily agreed that this result is not such as to justify the introduction of legislation on the lines prevailing in Western countries.

5. It is also pointed out in your summary that about 90 per cent. of the total fines in cotton mills is on account of "bad or negligent work," and as you have well said, fines of this nature are generally *bona fide* fines inflicted as correctives and not with a view to recompense the employer for damage sustained. In the textile industry the usual rule is to hand over spoilt or damaged cloth to the weavers concerned and recover the cost from the workers' wages. It may be stated that the weavers prefer this system to being fined, as, in practically all cases, they are able to sell the cloth, and any new-fangled legislation making it impossible for the employer to hand over spoilt or damaged cloth to the weaver concerned will not certainly improve the position of the workers, as the fines that may be imposed instead might operate more heavily on them than the system of selling them spoilt or damaged cloth which they subsequently sell to others.

6. So far as my Committee can see, the only undesirable feature in the conditions prevailing in the Bombay Presidency, according to the summary of your inquiries, is that in certain factories the "double khada" rule is observed, which implies that two days' wages are deducted for each day's absence without leave. So far as my Committee are aware, no such rule is in force in the mills situated in the City and Island of Bombay, and if any definite instances are furnished to my Committee of members of the Association deducting two days' wages for one day's absence, they will be pleased to make the necessary inquiries into the matter.

7. My Committee apprehend that those who favour the introduction in this country of legislation of the type of the English Truck Act, base their opinion only on academic study of that Act and have not considered the actual working thereof in England. Their attention may be well invited to an important case "Hart *vs.* Riversdale Mill Co." reported in the London *Times* of 7th April 1927. A perusal of the case will show that the employers deducted from the wages of a weaver a sum of *6d.* for bad and negligent work, and she contested the action of her employers under the English Truck Act. The Court held that according to the rules which had been in force in the mill for a number of years, the employers were entitled to make the deduction and their action could not be said to constitute an infringement of the Truck Act. On the other hand, a counter-claim of 1*s.* made by the employers to compensate them for the damage sustained was upheld under the Truck Act. Assuredly, legislation on the lines of the English Truck Act will not in the least help the Indian workman, but will only make his position worse.

8. In conclusion, I am directed to repeat that so far as the cotton textile industry of this country is concerned, the existing system has worked very smoothly without causing discontent among the work-people, and any disturbance in this system by legislative enactments on the lines indicated in the Government of India's letter is sure to cause resentment among the operatives themselves. My Committee earnestly trust that in view of the facts disclosed by the investigations made by your office, and in view of what is stated above, Government will desist from launching on any legislation on the lines of the English Truck Act or other legislative enactments in force in Western countries.—I have, etc.,

T. MALONEY,
Secretary.

No. 2153.

LABOUR OFFICE, SECRETARIAT,
BOMBAY, *4th June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Deductions from Wages or Payments in respect of Fines.*

I have the honour to acknowledge the receipt of your letter No. 933/93 of 1927, dated the 1st June 1927, forwarding the views of your Committee on the above subject and to say that the Labour Office is much obliged to you for your kind co-operation in the matter.—I have, etc.,

W. DILLON,
In-charge, Labour Office.

APPENDIX 45.

REGULATIONS UNDER THE INDIAN TRADE UNIONS ACT.

BOMBAY TRADE UNIONS REGULATIONS, 1927.

1. *Short title.*—These regulations may be called the Bombay Trade Unions Regulations, 1927.

2. *Definitions.*—In these regulations—

(*a*) " the Act " means the Indian Trade Unions Act, 1926;

(*b*) " Form " means a form appended to these regulations;

(*c*) " Section " means a section of the Indian Trade Unions Act, 1926.

3. *Form of application for registration.*—Every application for registration of a Trade Union shall be made in Form A.

4. *Evidence to prove authority to make application.*—Upon an application for the registration of a Trade Union the Registrar may require from the applicants such evidence as may seem to him necessary to show that the applicants have been duly authorized to make the application on behalf of the Trade Union.

5. *Form of register.*—The register of Trade Unions referred to in Section 8 shall be maintained in Form B.

6. *Form of certificate.*—The certificate of registration issued by the Registrar under Section 9 shall be in Form C.

7. *Fee for registration.*—The fee payable on registration of a Trade Union shall be as follows:—

Rs. 5 for a Trade Union with a membership of 1,000 or over.

Rs. 2 for a Trade Union with a membership of less than 1,000.

8. *Withdrawal or cancellation of certificate of registration*—(1) *Form of application for withdrawal or cancellation.*—Every application by a Trade Union for withdrawal or cancellation of its certificate of registration shall be sent to the Registrar in Form D.

(2) *Verification of application.*—The Registrar on receiving an application for withdrawal or cancellation of registration shall, before granting the application, verify that the application was approved in a general meeting of the Trade Union, or if it was not so approved, that it has the approval of a majority of the members of the Trade Union. For this purpose the Registrar may call for such further particulars as he may deem necessary and may examine any officer of the Union.

9. *Appeals.*—Any appeal made under sub-section (1) of Section 11 shall be filed within ninety days of the date on which the Registrar passed the order against which the appeal is made.

10. *Change of address of head office of a Trade Union.*—Notice of any change in the address of the head office of a Trade Union shall be given to the Registrar in Form G.

11. *Transfer of head office of a registered Union from one province to another province.* —(1) The Registrar, on receipt of a notice of removal of the head office of a Trade Union to another province, shall forward to the Registrar of the province to which the head office of the Trade Union has been transferred a copy of all the entries contained in the register prescribed by Regulation 5.

(2) The Registrar, on receipt from the Registrar of another province of a copy of the entries contained in the register under Section 8 in respect of a Trade Union the head office of which has been transferred to Bombay, shall enter the entries in his register and notify the fact to the Secretary of the Trade Union.

12. *Alteration of rules.*—(1) On receiving a copy of any alteration made in the rules of a Trade Union under sub-section (3) of Section 28, the Registrar shall, unless he has reason to believe that the alteration has not been made in the manner provided by the rules of the Trade Union or unless the alteration is not in accordance with the provisions of the Act, register the alteration in a register to be maintained for this purpose and shall notify the fact that he has done so to the Secretary of the Trade Union.

(2) The fee payable for registration of alterations of rules shall be Re. 1 for each set of alterations made simultaneously.

13. *Change of name.*—(1) The notice of any change of the name of a Trade Union shall be sent to the Registrar in Form E.

(2) When the Registrar registers a change of name under Section 25, sub-section (3), he shall certify under his signature at the foot of the certificate issued under Regulation 6 that the new name has been registered. The Secretary shall present the certificate to the Registrar for making this entry.

14. *Amalgamation of Trade Unions—Form of notice.*—Notice of every amalgamation shall be sent to the Registrar in duplicate in Form F.

15. *Dissolution of registered Trade Unions.*—When a registered Trade Union is dissolved, notice of the dissolution shall be sent to the Registrar in Form H.

16. *Division of funds.*—Where it is necessary for the Registrar, under sub-section (2) of Section 27, to distribute the funds of a registered Trade Union which has been dissolved, he shall divide the fund among the members in proportion to the amounts contributed by them by way of subscription during their membership.

17. *Annual returns.*—The general statement to be furnished under Section 28 shall be submitted to the Registrar by the 31st day of July in each year and shall be in Form I.

18. *Audit.*—(1) Save as provided in sub-regulations (2), (3), (4) and (5) of this regulation the annual audit of the accounts of any registered Trade Union shall be conducted by an auditor authorized to audit the accounts of companies under sub-section (1) of Section 144 of the Indian Companies Act, 1913.

(2) Where the membership of a registered Trade Union did not at any time during the year ending on the 31st March exceed 2,000, the annual audit of the accounts may be conducted—

(*a*) by an examiner of local fund accounts, or

(*b*) by any local fund auditor appointed by Government, or

(*c*) by any person who, having held an appointment under Government in any audit or accounts department, is in receipt of a pension of not less than Rs. 200 per mensem.

(3) Where the membership of a registered Trade Union did not at any time during the year ending on the 31st day of March exceed 1,000, the annual audit of the accounts may be conducted—

(*a*) by any two persons holding office as a magistrate or a judge or as a councillor of any municipality or member of a district local board, or of the local Legislative Council, or of the Legislative Assembly or Council of State ;

(*b*) by any person who, having held an appointment under Government in any audit or accounts department, is in receipt of a pension from Government of not less than Rs. 75 a month, or

(*c*) by any auditor appointed to conduct the audit of co-operative societies by Government or by the Registrar of Co-operative Societies or by any Provincial co-operative organization recognized by Government for this purpose.

(4) Where the membership of a registered Trade Union did not at any time during the year ending on the 31st March exceed 500, the annual audit of the accounts may be conducted by any two members of such registered Trade Union.

(5) Where the registered Trade Union is a federation of Trade Unions, and the number of such Unions affiliated to it at any time during the year ending on the 31st March did not exceed 50, 15 or 5 respectively the audit of the accounts of the federation may be conducted as if it had not at any time during the year had a membership of more than 2,000, 1,000 or 500 respectively.

19. *Disqualification of auditors.*—Notwithstanding anything contained in Regulation 18, no person who at any time during the year for which the accounts are to be audited was entrusted with any part of the funds or securities belonging to a registered Trade Union shall be eligible to audit the accounts of that Union.

20. The auditor or auditors appointed in accordance with these regulations shall be given access to all the books of the registered Trade Union concerned and shall verify the general statement submitted under Section 28 with the accounts and vouchers relating thereto, and shall thereafter sign the auditor's declaration appended to Form I, indicating separately on that form under his signature or their signatures a statement showing in what respect he or they find the return to be incorrect, not supported by vouchers or not in accordance with the Act. The particulars given in the statement shall indicate—

(*a*) every payment which appears to be unauthorized by the rules of the registered Trade Union concerned, or contrary to the provisions of the Act,

(*b*) the amount of any deficit or loss which appears to have been incurred by the negligence or misconduct of any person,

(*c*) the amount of any sum which ought to have been but is not brought to account by any person.

21. *Audit of political fund.*—The audit of the political fund of a registered Trade Union shall be carried out along with the audit of the general account of the registered Trade Union by the same auditor or auditors.

22. *Inspection of register and documents.*—(1) The register of Trade Unions maintained in accordance with Regulation 5 shall be open to inspection by any person on payment of a fee of annas eight.

(2) Any documents in the possession of the Registrar received from a registered Trade Union may be inspected by any member of that Union on payment of a fee of annas eight for each document inspected.

(3) Documents shall be open to inspection every day on which the office of the Registrar is open and within such hours as may be fixed for this purpose by the Registrar.

FORM A.

TRADE UNIONS ACT, 1926.

Application for Registration of Trade Unions.

Name of Trade Union Address :

Dated the day of 19 .

1. This application is made by the persons whose names are subscribed at the foot hereof.

2. The name under which it is proposed that the Trade Union on behalf of which this application is made shall be registered is.....as set forth in Rule No.....

3. The address of the Head Office of the Union to which all communications and notices may be addressed is.....

4. The.....Union came into existence on the.....day of.....19....

5. The Union is a union of employers/workers engaged in the..... industry/*or*.....profession/*or*..... (establishment), and has..... members.

6. The particulars required by Section 5 (1) (*c*) of the Indian Trade Unions Act, 1926, are given in Schedule I.

7. The particulars given in Schedule II show the provision made in the rules for the matters detailed in Section 6 of the Indian Trade Unions Act, 1926.

8. (To be struck out in the case of Unions which have not been in existence for one year before the date of application.) The particulars required by Section 5 (2) of the Indian Trade Unions Act, 1926, are given in Schedule III.

9. One copy of the rules of the Union is attached to this application.

10. We have been duly authorized by the Trade Union to make this application on its behalf, such authorization consisting of*.....

—	Signature.	Occupation.	Address.
(Signed) 1.			
2.			
3.			
4.			
5.			
6.			
7.			

To

The Registrar of Trade Unions for the Bombay Presidency,
Secretariat, Bombay.

* State here whether the authority to make this application was made by a "resolution of a general meeting of the Trade Union" or, if not, in what other way it was given.

FORM A.

SCHEDULE I.

Trade Unions Act, 1926.

List of Officers.

Name of Trade Union.

Office held in Union.	Name.	Age.	Address.	Occupation.

SCHEDULE II.

References to Rules.

The numbers of the rules making provision for the several matters detailed in column 1 are given in column 2 below :—

1 Matter.	2 Numbers of Rules.
Name of Union.	
The whole of the objects for which the Union has been established.	
The whole of the purposes for which the general funds of the Union shall be applicable.	
The maintenance of a list of members.	
The facilities provided for the inspection of the list of members by officers and members.	
The admission of ordinary members.	
The admission of honorary or temporary members.	
The conditions under which members are entitled to benefits assured by the rules.	
The conditions under which fines or forfeitures can be imposed or varied.	
The manner in which the rules shall be amended, varied or rescinded.	
The manner in which the members of the executive and the other officers of the Union shall be appointed and removed.	
The safe custody of the funds.	
The annual audit of the accounts.	
The facilities for the inspection of the account books by officers and members.	
The manner in which the Union may be dissolved.	

SCHEDULE III.

(This need not be filled in if the Union came into existence less than one year before the date of application for Registration.)

Statement of Liabilities and Assets on the day of 19 .

Liabilities.	Rs. a. p.	Assets.	Rs. a. p.
Amount of general fund		Cash :—	
Amount of political fund ..		In hands of Treasurer	
		In hands of Secretary	
		In hands of	
Loans from—		In the Bank	
		In the Bank	
Debts due to		Securities as per list below ..	
		Unpaid subscriptions due ..	
Other liabilities (to be specified)..		Loans to—	
		Immovable property	
		Goods and furniture	
		Other assets (to be specified) ..	
Total Liabilities ..		Total Assets ..	

List of Securities.

Particulars.	Face value,	Cost price.	Market value.	In hands of

(Signed) 1.

2.

3.

4.

5.

6.

7

FORM B

Name of Trade Union | Date of Registration | Remarks

Registration Number | Number of application form

Address of Head Office

Subsequent changes of the address of the Head Office—

1
2
3
4
5
6
7
8

Names of Members making application—

1
2
3
4
5
6
7
8

Officers (Transfers from one post to another count as relinquishment of appointment held)

Year of entering on Office	Name	Office held in Union	Age on entry	Address	Occupation	Year of relinquishing Office	Other offices held in addition to membership of executive with dates

FORM C.

TRADE UNIONS ACT, 1926.

Certificate of Registration of Trade Union.

Name of Trade Union

Registration Number

OFFICE OF THE REGISTRAR OF TRADE UNIONS,
SECRETARIAT, FORT, BOMBAY.

It is hereby certified that the
Union has been registered under the Indian Trade Unions Act, 1926, this day of 19 .

Seal.

Registrar of Trade Unions
for the Bombay Presidency.

FORM D.

TRADE UNIONS ACT, 1926.

Request to withdraw or cancel Certificate of Registration.

Name of Trade Union

Registration Number

Address :

Dated the day of 19

To

THE REGISTRAR OF TRADE UNIONS, BOMBAY PRESIDENCY,
SECRETARIAT, BOMBAY.

The abovementioned Trade Union desires that its certificate of registration under the Trade Unions Act, 1926, may be withdrawn (*or* cancelled) and at a general meeting* duly held on the day of 19 it was resolved as follows :—

(Here give exact copy of Resolution.)

(Signed)

FORM E.

TRADE UNIONS ACT, 1926.

Notice of Change of Name.

Name of Trade Union already registered

Registration Number

Address :

Dated this day of 19

To

THE REGISTRAR OF TRADE UNIONS FOR THE BOMBAY PRESIDENCY,
SECRETARIAT, FORT, BOMBAY.

Notice is hereby given that the provisions of Section 23 of the Trade Unions Act having been complied with, the name of the abovementioned Trade Union has been changed to . The consent of the members was obtained by†

(Signed) 1. *Secretary.*

2.
3.
4.
5. } *Members.*
6.
7.
8.

---

* If not at a general meeting, state in what manner the request has been determined upon.

† *i.e.*, by referendum, resolution of a general meeting, etc. If procedure followed is covered by rule quote number of the rule.

FORM F.

TRADE UNIONS ACT, 1926.

Notice of Amalgamation of Trade Unions.

A. Name of Registered Trade Union

Number of Registration

B. Name of Registered Trade Union

Number of Registration
(and so on if more than two).

Address :

Dated the day of 19

To

THE REGISTRAR OF TRADE UNIONS FOR THE BOMBAY PRESIDENCY,
SECRETARIAT, FORT, BOMBAY.

Notice is hereby given that in accordance with the requirements of Section 24 of the abovementioned Act, the members of each (or every one) of the abovementioned Trade Unions have resolved to become amalgamated together as one Trade Union.

And that the following are the terms of the said amalgamation (*state the terms*).

And that it is intended that the Trade Union shall henceforth be called the .

Accompanying this notice is a copy of the rules intended to be henceforth adopted by the amalgamated Trade Union which are the rules (if so) of the Union.

(To be signed by seven members and the Secretary of each Trade Union.)

Name and address to which registered copy is to be sent.

(Signed) 1. *Secretary.*

2.

3.

4.

5. } *Members.*

6.

7.

8.

FORM G.

TRADE UNIONS ACT, 1926.

Notice of change of address of the Head Office of a Registered Trade Union.

Name of Trade Union

Registration Number

Address :

Dated this day of 19 .

To

THE REGISTRAR OF TRADE UNIONS, BOMBAY PRESIDENCY,
SECRETARIAT, FORT, BOMBAY.

Notice is hereby given that the Head Office of the abovementioned Trade Union has been removed from and is now situated at in City (*or* town, *or* District).

(Signed)

Secretary.

This part to be detached by the Registrar when the notice is registered, and returned to the Trade Union.

Received this day of 19 notice of removal of the Head Office of the Register No. to City (*or* town, *or* District).

(Signed)

Seal.

Registrar of Trade Unions for the Bombay Presidency.

FORM H.

TRADE UNIONS ACT, 1926.

Notice of the Dissolution of a Trade Union.

Name of Trade Union

Registration Number

Address :

Dated this day of 19

To

THE REGISTRAR OF TRADE UNIONS FOR THE BOMBAY PRESIDENCY,
SECRETARIAT, FORT, BOMBAY.

Notice is hereby given that the abovementioned Trade Union was dissolved in pursuance of the rules thereof on the day of 19 .

We have been duly authorized by the Union to forward this notice on its behalf, such authorization consisting of a resolution passed at a general meeting on the* day of 19 .

(Signed) 1. *Secretary.*

2.
3.
4.
5. } *Members.*
6.
7.
8.

FORM I.

Annual Return prescribed under Section 28 of the Indian Trade Unions Act, 1926, for the year ending 31st March 19 .

Name of Union

Registered Head Office

Number of certificate of registration

Return to be made by federations of trade unions.

A. Number of unions affiliated at beginning of year†
B. Number of unions joining during year†
C. Number of unions disaffiliated during year†
D. Number of unions affiliated at end of year.

This return need not be made by federations of trade unions.

Number of members on books at the beginning of year.
Number of members admitted during the year (add).
Together
Number of members who left during the year (deduct).
Total number of members on books at the end of the year.
Males.
Females.
Number of members contributing to Political Fund.

A copy of the rules of the Trade Union corrected up to the date of despatch of this return is appended.

Dated the

Secretary.

---

* Here insert the date, or if there was no such resolution, state in what other way the authorization was given.

† The names of the affiliated and disaffiliated unions should be given in separate statements marked 'A,' 'B' and 'C.'

Statement of Liabilities and Assets on the day of 19

Liabilities.	Rs. a. p.	Assets.	Rs. a. p.
Amount of general fund		Cash—	
Amount of political fund		In hands of Treasurer	
Loans from—		In hands of Secretary	
		In hands of	
		In the Bank	
		In the Bank	
Debts due to—		Securities as per list below	
		Unpaid subscriptions due	
		Loans to—	
Other liabilities (to be specified) ..		Immovable property	
		Goods and furniture	
		Other assets (to be specified) ..	
Total liabilities ..		Total assets ..	

List of Securities.

Particulars.	Face value.	Cost price.	Market price at date on which accounts have been made up.	In hands of

Treasurer.

General Fund Account.

Income.	Rs. a. p.	Expenditure.	Rs. a. p.
Balance at beginning of year ..		Salaries, allowances and expenses of officers	
Contributions from members at per member		Salaries, allowances and expenses of establishment	
Donations		Auditors' Fees	
Sale of periodicals, books, rules, etc.		Legal expenses	
Interest on investments		Expenses in conducting trade disputes	
Income from miscellaneous sources (to be specified)		Compensation paid to members for loss arising out of trade disputes ..	
		Funeral, old age, sickness, unemployment benefits, etc. ..	
		Educational, social and religious benefits	
		Cost of publishing periodicals ..	
		Rents, rates and taxes	
		Stationery, printing and postage ..	
		Expenses incurred under Section 15 (*j*) of the Indian Trade Unions Act, 1926 (to be specified) ..	
		Other expenses (to be specified) ..	
		Balance at the end of year	
Total ..		Total ..	

Political Fund Account.

	Rs. a. p.		Rs. a. p.
Balance at beginning of year ..		Payments made on objects specified in Section 16 (2) of the Indian Trade Unions Act, 1926 (to be specified)..	
Contributions from members at per member		Expenses of management (to be fully specified)	
		Balance at end of year	
Total ..		Total ..	

Treasurer.

Auditor's Declaration.

The undersigned, having had access to all the books and accounts of the Trade Union, and having examined the foregoing statements and verified the same with the account vouchers relating thereto, now sign the same as found to be correct, duly vouched and in accordance with the law, subject to the remarks, if any, appended hereto.

Auditor.

Auditor.

The following changes of officers have been made during the year :—

Officers Relinquishing Office.

Name.	Office.	Date of relinquishing office.

Officers Appointed.

Name.	Date of birth.	Private address.	Personal occupation.	Title of position held in union.	Date on which appointment in column 5 was taken up.	Other offices held in addition to membership of executive with dates.
1	2	3	4	5	6	7

Secretary,

APPENDIX 46.

INDIAN INCOME-TAX ACT AMENDMENT BILL (FIRST AMENDMENT).

No. 1988-F of 1927.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *14th February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*The Indian Income-Tax (Amendment) Bill.*

I am directed to forward a copy of Government Resolution, No. 1988, dated 12th February 1927, and to request the favour of the opinion of your Association on the Bill, by the 10th April 1927, at the latest.—I have, etc.,

S. G. SAYANI,
For *Deputy Secretary to the Government of Bombay,*
Finance Department.

GOVERNMENT OF BOMBAY.

FINANCE DEPARTMENT.

Resolution No. 1988.

BOMBAY CASTLE, *12th February*, 1927.

The Indian Income-Tax (Amendment) Bill.

Letter from the Government of India, Legislative Department, No. F. 128-I-26-A. C., dated 2nd February 1927 :—

" With reference to the Debates of the Legislative Assembly, dated the 27th January 1927, I am directed to forward herewith 100 copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill and with the opinions of the Honourable Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. The Indian Income-tax (Amendment) Bill with Statement of Objects and Reasons.

2. Extract from the Legislative Assembly Debates, dated the 27th January 1927. regarding the Bill.

" 2. I am also to state that Government have already noted that in Clause 7 (1) (A) export by land should be provided for, and that in Clause 7 (1) " Income " should be added before " profits and gains " and the words " under the appropriate head " substituted for the words " under the head ' Property ' or the head ' Business,' as the case may be."

" 3. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other language as the Governor in Council may deem proper and that the dates of such publications may be communicated in your reply.

" 4. The reply to this letter should be sent in by the 1st May 1927."

RESOLUTION :—The Indian Income-tax (Amendment) Bill together with the Statement of Objects and Reasons should be forwarded for favour of opinion to the following :—

THE BOMBAY MILLOWNERS' ASSOCIATION, Etc.

By order, etc.,

C. G. FREKE,
Deputy Secretary to Government.

A Bill further to amend the Indian Income-tax Act, 1922, for certain purposes.

XI of 1922.

Whereas it is expedient further to amend the Indian Income-tax Act, 1922, for certain purposes hereinafter appearing ; It is hereby enacted as follows :—

Short title and commencement.

1. (1) This Act may be called the Indian Income-tax (Amendment) Act, 1927.

(2) It shall come into force on the 1st day of April, 1927.

XI of 1922.

Amendment of Section 10, Act XI of 1922.

2. In sub-section (2) of Section 10 of the Indian Income-tax Act, 1922 (hereinafter referred to as the said Act),—

(*a*) after clause (*vii*) the following clause shall be inserted, namely :—

" (*viia*) in respect of the replacement of animals which have been used for the purposes of the business otherwise than as stock in trade and have died or become permanently useless for such purposes, the difference between the original cost to the assessee of the animals replaced and the amount, if any, realized or realizable in respect of the carcasses or animals, as the case may be " ; and

(*b*) after clause (*ix*) the following proviso shall be inserted, namely :—

" Provided that nothing in clause (*viii*) or clause (*ix*) shall be deemed to authorize the allowance of any sum paid on account of any cess, rate or tax levied on the profits or gains of any business or assessed at a proportion of or otherwise on the basis of any such profits or gains."

Amendment of Section 14, Act XI of 1922.

3. In clause (*b*) of sub-section (2) of Section 14 of the said Act, after the words " his share in the firm " the words " at the time of such assessment " shall be added.

Insertion of new Section 25A in Act XI of 1922.

4. After Section 25 of the said Act, the following section shall be inserted, namely :—

" 25A. (1) Where any separation of interest occurs in any year among the members of a Hindu undivided family of which any income, profits or gains have not been assessed to tax before the date of such separation, a separate assessment shall be made in respect of such income, profits or gains or, where such income, profits or gains have accrued or arisen or been received during a period exceeding one year, in respect of the income, profits or gains of each year or part of a year included in such period, and the sum or sums payable as tax in respect of such income, profits or gains shall, notwithstanding anything contained in sub-section (1) of Section 14, be payable by the members or portions of the family who or which have become separate, in proportion to their respective shares in the family property as finally determined for the purpose of the separation.

Assessment in case of partition of Hindu undivided family.

(2) When any such separation occurs, notice of the separation shall be given to the Income-tax Officer within fifteen days thereof and, if such notice is not so given, the Income-tax Officer may direct that to the amount of tax recoverable under sub-section (1) in respect of any assessment there shall be added by way of penalty such sum not exceeding that amount as he may determine.

(3) Where an assessment is to be made under sub-section (1), the Income-tax Officer may serve on any person who was a member of the undivided family immediately before the date of the separation a notice containing all or any of the requirements which may be included in a notice under sub-section (2) of Section 22, and the provisions of this Act shall, so far as may be, apply accordingly as if the notice were a notice issued under that sub-section."

Amendment of Section 26, Act XI of 1922.

5. For Section 26 of the said Act the following section shall be substituted, namely :—

Change in ownership of business, profession or vocation.

" 26. (1) Where any change has occurred in the constitution of a firm of which any income, profits or gains have not been assessed to tax before the date of such change, such income, profits or gains shall be deemed to be income, profits or gains of the firm as constituted at the time of the making of the assessment, and the assessment in respect thereof shall be made accordingly.

(2) Where any person has succeeded to any business, profession or vocation of which any income, profits or gains have not been assessed to tax before the date of such succession, a separate assessment in respect of such income, profits or gains, or, where such income, profits or gains have accrued, arisen or been received during a period exceeding one year, a separate assessment in respect of the income, profits or gains of each year or part of a year included in such period, shall be made on the person engaged in the business, profession or vocation at the time of the making of such assessment, and the sum payable as tax in respect of such income, profits or gains shall be the sum which would have been so payable if the succession had not occurred.

Explanation.—Where any person has succeeded to the business of a registered firm the assessment shall be made as if the firm had continued to be a registered firm."

Amendment of Section 35, Act XI of 1922.

6. In sub-section (1) of Section 35 of the said Act,—

(*a*) before the words " the Income-tax Officer may " the following words shall be inserted, namely :—

" The Commissioner or Assistant Commissioner may, at any time within one year from the date of any order passed by him in appeal or, in the case of the Commissioner, in revision under Section 33 and " ;

(*b*) for the words " of the assessment " the words " of the appeal, revision or assessment, as the case may be," shall be substituted ;

(*c*) for the words " such assessee " the words " the assessee " shall be substituted and

(*d*) in the proviso, for the words " the Income-tax Officer " the words " the Commissioner, the Assistant Commissioner or the Income-tax Officer, as the case may be, " shall be substituted.

Amendment of Section 42, Act XI of 1922.

7. For sub-section (1) of Section 42 of the said Act, the following sub-sections shall be substituted, namely :—

" (1) All profits or gains accruing or arising to any person, whether directly or indirectly, from any property in British India or from any business carried on or transacted in British India by such person or, in the case of a person not resident in British India, by any agency or branch in British India on his behalf, shall, notwithstanding that they are not received in British India, be deemed, within the meaning and for the purposes of sub-section (1) of Section 4, to be income accruing or arising within British India and shall be chargeable to income-tax under the head " Property " or the head " Business," as the case may be, and, in the case of a non-resident person, shall be charged in the name of the agent of such person, and such agent shall be deemed to be for all the purposes of this Act, the assessee in respect of such income-tax :

Provided that any arrears of tax may be recovered also in accordance with the provisions of this Act from any assets of a non-resident person which are, or may at any time come, within British India.

(1A) For the purposes of sub-section (1), the amount of the profits or gains which shall be deemed to have accrued or arisen in British India in respect of any merchandise exported from British India shall be the profits or gains which would have accrued or arisen if such merchandise had been sold at the port of export after delivery on board ship.

(IB) Nothing in sub-section (1) or sub-section (1A) shall be deemed to relieve from liability to tax any profits or gains which have been received in British India by or on behalf of any person.

(1C) Where any profits or gains have accrued or arisen to any person directly or indirectly from the sale in British India by him or by any agency or branch on his behalf of any merchandise exported to British India by him or any agency or branch on his behalf from any place outside British India, the whole profits or gains arising from such transaction shall be deemed to have accrued and arisen and to have been received in British India, and no allowance shall be made under clause (*ix*) of sub-section (2) of Section 10 in respect of any buying or other commission whatsoever not actually paid, or of any other amounts not actually spent, for the purpose of earning such profits or gains."

Amendment of Section 46, Act XI of 1922.

8. After sub-section (1) of Section 46 of the said Act, the following sub-section shall be inserted, namely :—

" (1A) For the purposes of sub-section (1) the Income-tax Officer may direct the recovery of any sum less than the amount of the arrears and may enhance the sum so directed to be recovered from time to time in the case of a continuing default, so however that the total sum so directed to be recovered shall not exceed the amount of the arrears payable."

Amendment of Section 48, Act XI of 1922.

9. To Section 48 of the said Act the following sub-sections shall be added, namely :—

" (4) For the purposes of this section, " total income " includes, in the case of any person not resident in British India, all income, profits and gains wherever arising, accruing or received, which, if arising, accruing or received in British India, would be included in the computation of total income under Section 16.

4 and 5 Geo. 5, c. 17.

(5) Nothing in this section shall entitle to any refund any person not resident in British India who is neither a British subject as defined in Section 27 of the British Nationality and Status of Aliens Act, 1914, nor a subject of a State in India."

Amendment of Section 56, Act XI of 1922.

10. The proviso to Section 56 of the said Act shall be omitted.

Insertion of new Section 65A in Act XI of 1922.

11. After Section 65 of the said Act, the following section shall be inserted, namely :—

" 65A. Nothing in clause (14) of Section 2 shall be deemed to require an Income-tax Officer to register the prescribed particulars in regard to any firm if he is not satisfied that the profits and gains of the firm are distributed to the partners therein in proportion to their individual shares as specified in the instrument of partnership."

Condition requisite for registration of a firm.

STATEMENT OF OBJECTS AND REASONS.

1. It has been held that draught animals and other live stock are not 'plant' within the meaning of Section 10 (2) (*vi*) of the Income-tax Act, 1922 (XI of 1922). But as horses, bullocks, elephants, etc., used for draught purposes are analogous to 'plant,' it is proposed in clause 2 (*a*) of the Bill to permit an assessee in computing his income from business to deduct as a business expense the cost of the live stock purchased for use in his business (not as stock in trade) to replace his stock so used.

2. The Calcutta High Court have held that road cess levied on coal mines is an admissible deduction from the assessable profits of the mine. The cess though nominally levied on immoveable property is actually calculated with reference to the annual profits of the mines. It is therefore a tax on profits and, generally speaking, anything that is of the nature of a tax on profits is not allowed as a deduction in assessing income-tax. Moreover, the Central Government have always contended that provincial or local taxes on profits should not take precedence of Central taxes on the same profits and if this principle is sacrificed, serious loss to Central revenues may result. Clause 2 (*b*) of the Bill makes it clear that

an assessee is not entitled to deduct, in computing income, any sums paid to a local authority in respect of any tax (cess, rate, etc.) assessed on the basis of profits even though it may be nominally imposed on immoveable property.

3. The Act is silent as to the correct procedure for the assessment in the year following the one in which partition is effected in a Hindu undivided family. Clause 4 of the Bill provides for assessment in such cases.

4. There are conflicting rulings pronounced by the Bombay and Allahabad High Courts as to how the assessment should be made in the year after there has been a change in the ' constitution ' of an assessee, where for example, a firm has become a company. While the Allahabad High Court have held that where a firm has become a company, the assessment should be made as though the firm were still in existence at the time of assessment, the Bombay High Court have ruled that the assessment should be made as though the company had been in existence when the profits that have to be taxed were earned. Clause 5 of the Bill follows the Allahabad High Court ruling and also extends to income-tax the principle of the proviso to Section 56 under which where there has been a change in the personnel of firm, the partners of the firm at the time of assessment are assessed to super-tax on the profits of the firm in the previous year with reference to the shares that each then holds.

5. It is necessary to confer on the Assistant Commissioners of Income-tax and Commissioners of Income-tax the power to rectify mistakes in their appellate or review orders which they do not at present possess. Clause 6 of the Bill confers such powers.

6. Clause 7 of the Bill makes the law more definite in regard to the assessment of the profits of (1) export trade conducted by (*a*) residents and (*b*) agencies or branches in British India of non-residents and (2) import trade conducted by agencies or branches in British India of non-residents. Section 42 of the Act which deals with the assessment of non-residents is vague and this is neither satisfactory from the view of the Government nor fair to the tax-payer. Moreover, conflicting decisions on this subject have been pronounced by the High Courts of Madras, Calcutta and Rangoon.

7. At present an Income-tax Officer has no power to impose a penalty of less than the maximum amount mentioned in Section 46 of the Act. It is considered desirable to empower an Income-tax Officer to impose a penalty less than the maximum and to increase it successively up to the maximum should the default in payment of tax be persisted in by the assessee.

8. Following the British Income-tax law, it is proposed to withhold the grant of refunds under Section 48 (small incomes relief) in respect of dividends of companies and interest on Indian securities from non-residents who are not British subjects or subjects of Indian States, while refunds to non-resident British subjects or subjects of Indian States will be allowed and calculated not with reference as at present to the claimant's total income taxable in British India, but with reference to his total income wherever derived which would be taxable if it accrued, arose or was received in British India. To non-residents who are not British subjects except subjects of Indian States there seems to be no reason why India should be more generous than the United Kingdom. As the law at present stands, large sums are refunded to non-resident shareholders, many of whom may be in receipt of considerable income in other countries and the non-resident therefore enjoys an unfair advantage over residents in British India. Clause 9 of the Bill gives effect to the above proposal.

9. At present many bogus partnership deeds are produced for registration before the Income-tax Officers under Section 2 (14) of the Act, even when the accounts are incomplete and show no division of profits amongst the partners. It appears, therefore, desirable to provide that a firm should not be registered unless it not merely files a deed of partnership specifying the partners' shares, but also actually divides the profits in accordance with those shares. Clause 11 of the Bill gives effect to the proposal.

BASIL P. BLACKETT.

The 30th November, 1926.

Extract from the Legislative Assembly Debates, Vol. IX, No. 7.

The Assembly met in the Assembly Chamber of the Council House, New Delhi, on Thursday, the 27th January, 1927.

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THE INDIAN INCOME-TAX (AMENDMENT) BILL.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, I move that the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, be referred to a Select Committee.

This Bill, sir, is introduced with the purpose of effecting various minor alterations of machinery in regard to the income-tax law as it at present stands. Some of them are with a view to preventing evasion or other difficulties which have arisen. Some are introduced to clarify the meaning of the law as it stands. They are some of them in favour of the tax-payer and some of them are in favour of the tax-collector. It is almost impossible to summarize the purposes of the Bill without going through each clause and explaining it in detail. The explanations in detail are given in the Statement of Objects and Reasons. I need not refer at any length to Clause 2 (*a*), which is chiefly designed to secure that proper arrangements shall be made in computing income-tax for the depreciation of elephants and things of that sort. It has been claimed that for certain purposes elephants are machinery and ought to be allowed to get the benefit of the provisions regarding depreciation which are applied to other kinds of machinery. On the whole the Income-tax Department have been satisfied that the elephants ought to be depreciated, and this clause is for that purpose. The question raised in Clause 2 (*b*) is one of considerable interest. The general principles on which our law and the financial arrangements between the provinces and the Central Government are based are that the right to impose an income-tax on profits is reserved for the Central Government. The question whether the provinces should get a share in the profits of income-tax is a different one. This is a question of the authority to impose a tax calculated on profits. It is obviously undesirable that you should have more than one authority independently imposing a tax assessed on gross profits or net profits because, if you allow that to go on very far, you might very quickly find various taxation authorities between them trying to collect 17 annas in the rupee. The principle of the reformed arrangements is that the proceeds of the income-tax go in the first instance to the Central Government, and that the Central Government has the first right to collect a tax on profits. In most cases cesses, road cesses of the sort that are mentioned here, and other local taxation are not assessed on profits but are calculated with reference to other considerations assessed in another way, and when they are so assessed, they are allowed as deductions from the income on which income-tax is collected. But in some cases it has been found that local authorities are collecting what is practically a second income-tax, for example, on the income of coal mines as in the case here, and our object in proposing this clause is to make it clear that local taxes ought not to be assessed on profits: they ought to be assessed otherwise, and that if in any case they are assessed on profits, they cannot be allowed as a deduction from the profits for the purposes of the Central Government's income-tax. If that became a frequent occurrence, the result might be to fritter away the whole of the income before the Central Government had the opportunity of collecting a tax. It is as much in the interest of the tax-payer as of the tax-collecting authority that the law should be clear on this subject. The object of Clause 4 is to remedy an omission in the existing law, which is silent as to the procedure which ought to be followed in assessing a Hindu undivided family in the year following the year in which partition has been effected. Clause 5 deals with the procedure to be followed in assessing a firm in the year following that in which there has been a change in its constitution or a company that has succeeded a firm or *vice versa*. There are conflicting High Court judgments on the procedure to be followed. It is difficult to say from the point of view of the Government, of the tax-collecting authority, which of the two procedures laid down by the two different High Courts is most conducive to the interests of the revenue, but the Government have come to the conclusion that on the whole the fairest arrangement all round, though not necessarily the most conducive to the productivity of the tax, would

be the ruling of the Allahabad High Court. Clause 6 confers on Assistant Commissioners of Income-tax and Commissioners of Income-tax power to rectify mistakes in their appellate or revision orders, which is obviously desirable. Clause 7 deals mainly with the assessment of the profits of export trade whether conducted by residents in British India or by agencies or branches in British India of non-residents and of import trade conducted by agencies or branches in British India of non-residents, the law on which has been proved to be rather vague and unsatisfactory. The change proposed is one which has been the subject of very considerable discussion and correspondence with the commercial interests concerned. The next clause I have to refer to permits the income-tax officer to impose in the first instance less than the maximum penalty whereas at present he has the power to impose only a single penalty, and he cannot subsequently increase it. The next clause, Clause 9, deals with the grant of refunds under Section 48 and the relief of small incomes. At the present time if the Indian income of an assessee is under two thousand rupees, it is not liable to Indian income-tax and the assessee is entitled to obtain a refund of the full amount. But he very likely may have an income running into thousands or millions in another country. Under the British law, his total income, wherever earned, wherever arising, is taken into consideration before the small income relief is given. Under the Indian law at present that relief is given simply with respect to the total of the Indian income, not with respect to the total income all over the world. There is obviously no very sound reason, I think, why the Indian law should be more generous to the millionaire than the British law, and it is also important from another point of view that we should improve our present position, because the machinery for giving those refunds is a rather troublesome and expensive one, and when the law is changed as proposed in this Bill, there should be a very large reduction in the number of cases in which claims for refund will be made. Clause 11 is directed against the difficulty to which I have more than once referred in this House of what I may call the legalized evasion of the provisions of the income-tax law. Its object is to provide that a partnership deed cannot be registered unless the firm not merely files a deed of partnership specifying the partners' shares, which is all that is at present required, but also actually divides the profits in accordance with those shares. That is the purpose of Clause 11 of this Bill. When I introduced this Bill and it was announced that the intention was to move on this occasion for a Select Committee, I was under the impression that the Bill as a whole had been circulated for the purpose of eliciting opinion thereon. It was published at the beginning of December and the intention was that it should then be circulated by executive action for the purpose of obtaining opinions. Owing to a misunderstanding the Bill as a whole has not been so circulated, though I believe that so far as the subjects are concerned to which the more important of those clauses of the Bill that might possibly be regarded as contentious relate, the Central Board of Revenue has already at one time or another ascertained the views of Chambers of Commerce in regard to the principles involved. In view, however, of the fact that the Bill as a whole has not yet been circulated, I am quite prepared, if it is the desire of the House, to accept the motion which I see on the paper, that the first step should be that the Bill should be circulated. But I now move formally that the Bill be referred to a Select Committee. Sir, I move.

MR. PRESIDENT: Motion moved:

> "That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, be referred to a Select Committee."

SIR VICTOR SASSOON (Bombay Millowners' Association: Indian Commerce): Sir, I am very glad that the Honourable the Finance Member accepts my amendment if it receives any substantial support from the House and I think it is due to me to put forward my reasons for considering that circulation—or if he wishes it to call it so further circulation—is advisable. I feel that some of the clauses, at least one of the clauses, of the proposed Bill have very far-reaching effects due largely to the drafting of previous legislation which has had legal consequences not foreseen at the time. The whole position of income-tax legislation has altered considerably during the last few years, particularly at the present time in England, and now I see indications of a trend in the same direction in this country. Originally the Legislatures laid down in the income-tax laws very definite rules and very restricted powers to the executive. The relations between the tax-collector and the tax-payer were then found to be satisfactory; very little friction ensued and the Legislature in consequence pro-

ceeded to give wide powers to the executive, sometimes on a definite understanding that such powers should not be used to the full and should be restricted by means of rules. The convention arose that these powers were only given to be used in special cases, and this I think was more or less the position before the war. The effects of the war caused the needs of revenue to be very great, and as there was the usual objection to extra taxation those responsible for getting revenue from the country decided that the administration of the Income-tax Act should be tightened. The result of this decision at home, and I think also to some extent in this country, is that we have among the higher officials responsible for administering the law a re-reading of the Act so as to take advantage of the full legal rights of the executive and among the lower officials (and I think that members even on the Government side will agree with this) a tendency to make unjustifiable demands on ignorant tax-payers which were not substantiated and which were dropped when challenged. There were a number of cases, however, where the unfortunate tax-payer did not know his or her rights and paid the tax unnecessarily. Now, sir, here we have a case in point given to us in the Statement of Objects and Reasons by the Finance Member. Under Clause 7 the Courts in this country have given opposing judgments on one of the clauses of the existing Act. The reasons for those opposing judgments are, I think, simple. This clause which was intended to follow English procedure was intended to be what is called a machinery section. Owing to the fact that certain words differed from the English Act, a subsequent Court came to the conclusion that legally it could be construed as a charging section. There is, I think, very little doubt that when those clauses were brought before the Legislature there was no intention that this should be a charging section, the intention being that it should follow the British procedure and be merely a machinery section. I think, sir, that a great deal of credit is due to the Honourable the Finance Member for having brought this up before the Legislature. I think that he probably felt that his position if he took up the purely legal aspect of the income-tax legislation here might in fact put him in the position of taxing the tax-payer in this country along lines that were not intended by the Legislature or even by the Finance Member at the time when he asked for that legislation. I see great difficulty for the Finance Member from the moral aspect. He wants extra revenue. He has the right legally under the judgment to demand that revenue. He feels that the Legislature did not intend to go along those lines and I repeat great credit is due to the Honourable Member for bringing this up before the House so that we can decide whether we wish to relieve him of any moral restrictions that may have been put on his predecessors and which they may have carried out in practice by executive action. We can either free the Finance Member from these restrictions or limit him to the position which used to exist in practice. I think, therefore, that the circulation of this Bill will elicit facts, concerning this particular clause for instance, from the various trading and commercial bodies of the country. As I am given to understand by my legal friends, the consequences of the present Bill would allow the revenue authorities, if they so desire, to assess every importer, whether a small trader or a large merchant house, who was dealing with manufacturers or merchants abroad, to assess every Indian importer for the profits that might be estimated to have been made by the foreign manufacturer. That I am given to understand is one of the effects of this clause and though the revenue authorities here may not desire to use this power, we must face the position that some subsequent Finance Member in the desire for extra revenue in looking through the Act and estimating his rights may choose to exercise it. I think, therefore, that the Bill needs a very careful consideration.

There is also a further class of business which will be affected under the Bill. We heard yesterday, when Sir Charles Innes was referring to the steel industry, how he anticipated and hoped that the need for attracting new capital to the steel industry would be met by the proposals he put before the House. I don't know whether the House appreciates the fact that should this Bill become law, every debenture that is issued in a foreign country, the proceeds of which are remitted to this country and used for developing an industry, will be liable to Indian income-tax. The House will realize that it is not the foreign investor who will pay this tax. He will refuse to take up a debenture unless it is clearly laid down that it is free of all Indian taxation; so the result in practice will be that industries here, unable to rely upon Indian resources and desirous of obtaining debenture capital abroad, will necessarily have to pay a higher rate of interest than would otherwise be the case because Indian income-tax on loans made abroad must be provided for. This, I think, is a situation that will have to be very carefully considered by the House.

There is a further aspect and that is the effect of this legislation on the business of banks. I am not at all certain that if banks here in the ordinary course of their business were to take deposits in this country on which they paid interest, and were to remit those deposits abroad, I am not at all certain that under this Bill they would not be asked to supply the Government of India with a return of any interest or profit which might be received abroad. It is perfectly certain that no bank or business concern could possibly unravel its various financial transactions, which might cover several countries, to obtain this information. So in practice the bank would be charged with the full income-tax on the full income that might be expected to have been received out of the country. I am not at all certain too whether the Government of India would not be entitled to ask for Indian income-tax on the interest of every trade bill that is drawn on an importer in this country. The amount of work that would be necessary to show what the actual profit was, would, to my mind, be so huge as to make it impossible to obtain any relief, because the House will agree that because there is interest on a trade bill it is not likely that that interest should be all profit. It is quite possible that the money that was used in discounting that bill was borrowed from somewhere else. The profit would, therefore, be trivial but as it would be so difficult to arrive at it the income-tax authorities would attempt to charge the tax on the full interest.

This measure is by no means an easy or a simple one ; it is very complicated and very far reaching, and I think this House would be well advised to accept the offer that the Finance Member has made us to allow it to be circulated to elicit further opinion.

MR. A. RANGASWAMI IYENGAR (Tanjore *cum* Trichinopoly : Non-Muhammadan Rural) : Sir, after the elaborate manner in which the honourable member who preceded me pointed out the difficulties and complications that lurk in the amendment proposed by the Honourable the Finance Member, I do not propose to say anything in regard to the motion for circulation, except that I think the motion for circulation ought to be supported on other grounds even more important from the point of view of the finances of this country and the division of sources of the finances of this country between the several authorities, apart from any question of income-tax.

Sir, I find that in the Statement of Objects and Reasons, in regard to one important clause in the Bill, namely, Clause 2, the Honourable the Finance Member has stated :

> " Moreover, the Central Government have always contended that provincial or local taxes on profits should not take precedence of Central taxes on the same profits, and if this principle is sacrificed, serious loss to Central revenues may result."

Sir, that is a position which is of far-reaching consequence, and in fact the Honourable the Finance Member expanded it so far as to say in this House that we are asked by this Bill to assent to the proposition that no local taxes ought to be assessed on profits. If that is the proposition which is sought to be introduced, I say that the method by which the Finance Member proposes to introduce this principle is certainly objectionable. The sole matter, which Clause 2 deals with, is whether when such taxes are assessed they should not be deducted in computing income for purposes of taxation. The question of principle whether the Local Government have the right to assess these taxes on profits, on the basis of which they have been allowed actually to assess them, is a question of far greater importance than the question of deductions. I think, therefore, that if the Honourable Member thinks this principle ought to be established, he ought not to introduce this principle in this Bill but should face squarely the question as to what extent the Local Governments should be allowed to assess taxes on profits. My friend, the Honourable the Finance Member, said that it is as much in the interests of the tax-payer as of the Government that there should not be too many authorities who should be permitted to tax income. This argument proves too much. He began by saying that we will eventually find that the tax-payer is assessed in all at 17 annas in the rupee. When we come to examine the basis of all taxation in the country, we must arrive at the proposition that all taxes, direct and indirect, ought to be paid out of income or property ; therefore to say that the tax-payer will find that he is paying 17 annas in the rupee is not to prove that income-tax should not be levied by two authorities. Indeed, I can cite any number of Continental countries in which such taxes are levied by central and provincial authorities. We in this country have always claimed that by such taxation, direct or indirect, as we have been mulcted by, the Government have managed to take a much larger slice of income from the poor Indians than in any other country.

I want the Government of India, therefore, to face this question, namely, to what extent income-tax could be made available for provincial purposes and also, conversely, to what extent could land revenue be reduced to the basis of a tax on incomes. These questions ought to be raised when we discuss the remodelling of taxes in this country or the revision of the taxing system of this country in connection with the Taxation Committee's report. The principle ought to be examined by Local Governments and Local Governments ought to be placed in a position to say to what extent they should exercise the right of taxation over incomes based on profits or on property. I therefore support the motion for circulation.

LALA LAJPAT RAI (Jullundur Division : Non-Muhammadan) : Sir, I wish to support the motion made by Sir Victor Sassoon on another ground. The circulation of the Bill will give an opportunity to other people to suggest the clarification of certain other matters connected with the Income-tax Department. If the Bill is to be amended it might be amended for the clarification of all doubts that have arisen in regard to other matters.

THE HONOURABLE SIR BASIL BLACKETT : If the Honourable Member will allow me, he will find that the amendments he is suggesting would be outside the scope of the Bill.

LALA LAJPAT RAI : I am subject to correction.

The Bill contains several matters, and it was intended to clarify certain matters on which doubts have arisen. If there are any other matters which require clarification, they might as well be included in this Act.

I have been told that this cannot be done ; therefore, I accept the motion.

MR. M. S. SESHA AYYANGAR (Madura and Ramnad *cum* Tinnevelly : Non-Muhammadan Rural) : Sir, this motion certainly requires consideration. Some features of this Bill require a close scrutiny not only by this House but also by the larger section of the public whom they may affect. Clause 2 of the Bill is an instance in point. It attempts at excluding provincial taxes or local rates from the category of admissible deductions under the Income-tax Act. The claim is made on the ground that Central revenues are to have preference over provincial taxes. If that principle is not recognized, the Honourable the Finance Member suggests it would result in a diminution of the Central revenue. I submit, Sir, we have also to take into consideration the corresponding hardship which the adoption of this principle would have on the classes affected by this clause. Once this House accepts this principle that local taxes must yield in preference to Central taxes, it will have very far-reaching consequences ; and I submit that the view-point of the classes affected is not quite unwarranted, has been upheld by the Calcutta High Court. I therefore submit that the circulation of this Bill to the people affected is necessary, and more reasons will be forthcoming to show why this principle should not be recognized. Clause 7 is another instance. There is no doubt a conflict of views between three High Courts, and the Honourable the Finance Member did concede that it is not very easy to find out the means which should be adopted to set at rest this conflict. No doubt it is quite legitimate for the Legislature to seek to set at rest the conflict, but the means to be adopted are things for calm consideration ; and I appeal to the House to accept the motion for circulation in order that we may have the views of the large body of the Indian public whom this Bill so materially affects.

MR. JAMNADAS M. MEHTA (Bombay City : Non-Muhammadan Urban) : Sir, I was at one time of the opinion that a reference of this Bill to the Select Committee forthwith would secure its adequate consideration ; but after hearing Sir Victor Sassoon, I feel it would serve the interests of the country better if the Bill was, in the first instance, circulated for opinion. Particularly, I want to draw the attention of the Hindu members of this House to Clause 4, sub-clause (2), where the question of notice is dealt with when a Hindu joint family divides. Sir, the Income-tax Act has done more to break up the joint Hindu family than the attacks of the social reformer. I do not know whether this break up is ultimately for the good of Hindu society or not. I myself have not been able to make up my mind on that question, but there is no doubt that the Income-tax Act is increasingly leading to the break up of the joint Hindu family. This view was confirmed during the recent elections

when I found four voters in a house where I had expected to find one ; they had all divided the joint family income, the reason being that if they had kept their income joint, the State would have taken a much larger slice of it. They had the sense to divide in order to avoid the exactions of the State and for that reason also there were so many voters. But, sir, although it may be an open question whether the breaking up of these joint Hindu families would be for the interests of the Hindu society, the way in which this Bill wants to deal with the notice question is highly objectionable. Only 15 days' time is allowed for giving notice to the authorities when a member of a joint Hindu family seeks separation from his co-parceners. In spite of the disintegrating effect of the existing Income-tax Act, the sentiment of the joint Hindu family is so great that brothers would not like to divide while their mother is alive if they can help it. But this Bill says the moment there is a division, it shall be notified within fifteen days. Now, sir, it is open to one member of the joint Hindu family merely to write a letter to his co-parceners declaring that he has separated and from that day under the Hindu law that family is taken to be partitioned if it is a joint Hindu family. In such a case those members who do not like to be partitioned will naturally begin to negotiate with the brother who has given notice and it will take time before these family confabulations are completed. Fifteen days is too short a time for such a purpose, but this Bill will break up the family within fifteen days. If notice is not given within fifteen days, then every one, even those who do not want to separate but who are trying to keep the family together may be charged by the income-tax officer a penalty equal to the amount of the tax. That is the direct consequence of this clause. Sir, I would have suggested in the Select Committee or here in this House if the Bill had gone on, that the obligation for this notice must only be imposed on the member who is seeking the division and that the time allowed for giving notice must be longer than fifteen days. Under the clause as it now stands all members including those who want to remain undivided will be bound to give notice and that within fifteen days lest the income-tax officer should come down upon them and make them the victims of so much additional taxation. This serious danger to the integrity of a joint Hindu family is one reason for which I would like the circulation of the Bill, and I entirely agree with Sir Victor Sassoon that it should be circulated.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member) : Sir, I cannot believe that the Honourable Member who has just spoken is entirely correct in the opinion he has expressed on clause 4. I gather he has been studying the Bill with some vigour in the rather less than 15 days' notice that I gave him and may not have gathered the exact meaning of the clause. I rise to make a few remarks on the points made. I understand the honourable Baronet who spoke first was referring mainly to Clause 7. I agree that Clause 7 is an important clause and requires careful study. It has indeed had careful study both in the Central Board of Revenue and in consultation with various classes of assessees. However now that the Bill is to be circulated a further opportunity will be given for its study, though I do not think it is entirely open to some of the dangers which were suggested. The picture that was drawn was rather an alarming one and of some of these alarms I have failed, at any rate at present, to recognize the validity.

As regards Clause 2 (*b*) in regard to the position of local and central taxation, I perhaps gave the impression when I first spoke that the Government were trying to lay down a principle not at present in existence of very far-reaching importance. I was expressing certain views in the statement that I made, but the statement in the Statement of Objects and Reasons is much narrower, I think, than what Mr. Rangaswami Iyengar made it to appear. " The Central Government have always contended that provincial or local taxes on profits should not take precedence of Central taxes on the same profits." That is to say, if a road cess or something of the sort is directly assessed on the profits, it cannot be deducted from the income which is assessable for Central income-tax. That is as a matter of fact the law at present. The law at present is that a local cess, if it is assessed on profits, is not a permissible deduction from the income taxable to income-tax. But there are certain cases in which a cess which is nominally levied on immovable property is in fact assessed on profits, and it is to affirm an existing principle, not to introduce a new principle, that the Government have introduced this clause in order to make clear that these cases, which one may call border-line cases, are really within the mischief of the law as it stands. The whole question of the desirability of allowing Provincial Governments or local authorities to collect what are known on the Continent as *centimes additionels* on the income-tax is of course

quite a different one; but I would point out that in those cases there is no question of the *centime additionel* collected by the State Government or the Provincial Government being allowed as a deduction from the income which is assessable to income-tax. It is an additional tax on the income after the gross profits have been assessed, not a charge on that income which is deductible before profits are assessed for the purpose of the central income-tax. But that is really quite a different subject. It is possibly my fault either in the wording of the Statement of Objects and Reasons or in something I said in speaking that the wider issue seemed to have been raised. That is a very interesting issue but it is not raised in this Bill, and Heaven forbid that I should seek in a small Bill like this to bring down on myself the necessity of debating such a large issue either here or in Select Committee.

Sir, the Government are willing to accept, if that is the wish of the House, the motion for circulation.

MR. PRESIDENT: The original question was:

> "That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, be referred to a Select Committee."

Since which the following amendment has been moved:

> "That the Bill be circulated for the purpose of eliciting opinions thereon."

The question I have to put is that that amendment be made.

The motion was adopted.

No. 559/58 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd March*, 1927.

THE DEPUTY SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE FINANCE DEPARTMENT, BOMBAY.

SIR,

SUBJECT:—*The Indian Income-tax (Amendment) Bill.*

I have the honour to acknowledge receipt of your letter No. 1988-F, dated 14th February, 1927, with accompaniments.

2. The Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, has been very carefully considered by my Committee whose views on different clauses are given below:—

Clause 2 (*b*).—This clause seeks to amend Section 10 (2) (*ix*) of the Income-tax Act to prevent an assessee in computing income from "deducting any sums paid to a local authority in respect of any tax, cess, rate, etc., assessed on the basis of profits even though it may be nominally imposed on immovable property." It sets aside a recent judgment of the Calcutta High Court, which my Committee believe was a fair interpretation of the law, in which it was held that road cess levied on coal mines was an admissible deduction from the assessable profits of a mine. In my Committee's opinion there is no justification for not allowing this and similar deductions from assessable profits for the reason that income-tax is supposed to be levied on net income and they fail to see why an assessee should not be entitled to deduct any charges whether in the form of a cess or otherwise before he pays.

In the Calcutta case, the Isabella Coal Company had paid certain road and public works cesses under the Cess Acts in respect of their colliery. In arriving at the net profits for the purpose of assessment, the Coal Company contended that they should be allowed to deduct the cesses paid. This was objected to by the Income-tax authorities and the matter was referred to the Calcutta High Court. The Advocate-General, on behalf of Government, contended that a distinction had been drawn in Section 6 of the Cess Act (No. IX of 1880) between land and mines, that in the case of the former, the cess is payable on its annual

value whereas in the case of mines it is payable on the net profits of the mine, and although if the cess were payable on the mine as land, it would be a local rate in respect of premises used for the purposes of a business, it is not so as the cess is payable in respect of the net profits of a mine. He further contended that a mine is not a premises, that the assessment is made really on a business, the business being that of cutting coal, and that the cess is really paid on account of the business; that the cess is paid on the profits and hence on the business. On behalf of the Company it was contended that the cess is leviable on the mine, and not on the income (Sec. 5 of the Cess Act), that it was calculated on the income no doubt, but this was merely the method of assessment, that the only way of using the mine is by extracting coal, that a mine is a premises, and so the whole of the mine is used for the purposes of the business. The Court upheld the latter view and, my Committee submit, quite rightly.

Under Section 10 of the Income-tax Act, all sums paid on account of land revenue, local rates or municipal taxes in respect of such part of the premises as is used for the purposes of the business have to be deducted. This being so, my Committee cannot understand why a cess should not be deducted simply because under a local Act the cess is calculated on the income of the colliery. The cess is not a tax on profits at all in the sense that the income-tax is. If the cess were calculated on some different basis, then a deduction would be allowed; but simply because it is found that the most convenient and equitable method of arriving at the right cess is to calculate it on the income, no deduction should be allowed does not seem to be fair or reasonable. If a cess is levied for municipal services rendered, why should it not be deducted even though it is calculated on the profits? The method of calculating the cess seems to be entirely beside the point; what one has to see is whether the cess is not a proper outgoing of the business and whether if there were no cess and no municipal services rendered, the business would not have to incur extra expenditure to earn its profits.

The inequity of the proposed amendment can be demonstrated by the following examples:—

> "If a company pays water-tax for the water for its factory and such water-tax is charged at the rate of a fixed percentage on its profits, this water-tax would have to be treated as a tax on the profits, and, under the proposed amendment, would not be allowed as a deduction. Similarly, if a company pays its managing director by a percentage on its profits this might possibly, if Clause 2 (*b*) becomes law, be disallowed as a charge when computing assessable profits.

For these reasons my Committee recommend that Clause 2 (*b*) should be deleted from the amending Bill.

Clause 4 (2).—The penalty proposed for non-compliance with the terms of Clause 4 (1) is an exceptionally heavy one and the time limit of 15 days for giving notice of separation is, in my Committee's opinion, much too short, and should be considerably extended. My Committee hold that it would be more equitable if assessees were allowed to make the necessary declaration when submitting the next income-tax return.

Clause 5.—It is stated in the Statement of Objects and Reasons attached to the Bill that there have been conflicting rulings in the Bombay and Allahabad High Courts as to how the assessment should be made in the year after there has been a change in the constitution of an "assessee," where, for example, a firm has become a company; that while the Allahabad High Court have held that where a firm has become a company the assessment should be made as though the firm were still in existence at the time of the assessment, the Bombay High Court have ruled that the assessment should be made as though the Company had been in existence when the profits that have to be taxed were earned; and that Clause 5 of the Bill follows the Allahabad High Court ruling.

My Committee submit that this is an entirely incorrect statement of the position.

My Committee deny that there has been any conflicting ruling between the two High Courts mentioned, and submit that the decisions of both High Courts are wrongly quoted in the Statement of Objects and Reasons for the Bill.

The decision of the Allahabad High Court resulted solely from the fact that the financial year of the assessee firm differed from the Government financial year, in consequence where-

of, and by reason of the conversion of the firm into a limited company with a financial year corresponding to the Government financial year, certain profits of the firm would have escaped taxation at the firm's rate. The Allahabad High Court held that such profits of the firm as so escaped taxation were liable to taxation as the profits of the firm, though the tax was payable by the company.

This point did not arise in the case before the Bombay High Court, where the financial year of the assessee company corresponded with the Government financial year and Macleod, Chief Justice, in his judgment stated that the Allahabad case had not any relevance to the facts of the case then before the Court, and must be considered in the light of its own very peculiar facts, and added that if the accounting period of the assessee firm in the Allahabad case had coincided with the Government financial year, the Court doubted whether any such question as arose in the Allahabad case would have arisen, for there would have been no double taxation of the same income.

Even assuming but without admitting that the decisions of the two High Courts can be said to conflict, my Committee fail to appreciate the reason for Government accepting the Allahabad decision in preference to that of Bombay, unless it be that the former decision is the more favourable to Government.

In any event my Committee understand that the Government have preferred an appeal to the Privy Council against the decision of the Bombay High Court and submit that any amendment of Section 26 is premature while that appeal is pending.

My Committee further submit that Section 26 being entirely free from ambiguity and capable of easy construction no amendment thereof is necessary, except for the purpose of departing from the original intention of the framers of the Act as evidenced by Section 26 with a view to increase the revenues of Government, a departure which my Committee maintain is entirely unwarranted.

Clause 7—It is stated in the Statement of Objects and Reasons attached to the amending Bill that Clause 7 of the Bill makes the law more definite in regard to the assessment of the profits of (1) export trade conducted by (*a*) residents and (*b*) agencies or branches in British India of non-residents and (2) import trade conducted by agencies or branches in British India of non-residents. It is further stated that Section 42 of the Act which deals with the assessment of non-residents is vague and that conflicting decisions on this subject have been pronounced by the High Courts of Madras and Calcutta.

My Committee understand that the Madras High Court held that non-residents could not be assessed for income-tax except on profits received in British India, while the Calcutta High Court maintained that profits of non-residents could be assessed for income-tax even though not received in British India if the other provisions of Section 42 were fulfilled.

My Committee accept the statement that these are conflicting decisions as to the liability under Section 4 of the Act for income-tax on profits of non-residents, and are entirely in accord with Government in its desire to place beyond doubt what profits of non-residents are liable to assessment for income-tax purposes, but my Committee view with dismay the proposed attempt of Government to tax an hypothetical or imaginary profit of a resident export trader, a source of taxation to which no Government in the world had hitherto resorted or attempted to resort and my Committee desire to record a very strong protest against any such attempt.

A single instance only is necessary to substantiate the extraordinary unfairness of any such procedure. Suppose a resident merchant purchases goods in India for Rs. 5,000 for shipment to Europe for sale there. At date of shipment the market value of the goods is Rs. 5,500. On arrival at port of destination three weeks later the goods realize Rs. 4,500. The merchant in India will be taxed on a notional profit of Rs. 500 whereas in fact he will incur a loss on the transaction of that amount.

My Committee are advised that it is an accepted principle of the English Courts that the liability of a trader to income-tax on profits earned from his trading arises where the profits come home to him. An owner of goods cannot earn a profit on them until he sells them, and the profit he earns is earned in the country where the goods are sold and not in the country in which they are purchased or from which they are exported.

My Committee submit that there is ample machinery in the earlier part of the Act for taxing the profits of a resident accruing or arising or received in British India which are the only profits of a resident which can legitimately be made the subject of income-tax taxation and that the amendment of Section 42(1) of the Act should be confined to clarifying the position as regards the liability to tax of the profits of a non-resident.

My Committee suggest that for sub-section (1) of Section 42 of the Act, the following sub-section shall be substituted :—

"42 (1)" All profits or gains accruing or arising to any person residing out of British India, whether directly or indirectly from any trade carried on or transacted in British India by any agency or branch in British India on his behalf shall be chargeable to income-tax under the head 'business' and shall be charged in the name of the agent of such person, and such agent shall be deemed to be for all purposes of this Act the assessee in respect of such income-tax :—

Provided that any arrears of tax may be recovered also in accordance with the provisions of this Act from any assets of a non-resident person which are or may at any time come within British India."

It will be seen that the clause suggested by my Committee differs materially from Clause 7 (1) of the Bill as drafted, and I am directed to place shortly before Government the reasons of my Committee for these differences.

In the first place my Committee are of the opinion that the amending section should, as in the case of Section 42 (1) of the Act which it is sought to amend, be confined to non-residents.

The reference to profits or gains from property is deleted as such profits and gains are assessable under Section 9 of the Act, and any reference to profits or gains from property in Section 42 (1) is therefore superfluous.

My Committee prefer the word "trade" which signifies the completed transaction of buying and selling to the word "business" which is vague and indefinite. The word "trade" is also used in the English Income tax-Acts.

The words "notwithstanding that they are not received in British India, be deemed, within the purposes of sub-section (1) of Section 4, to be income accruing or arising within British India" have been deleted.

My Committee are of the opinion that what profits are taxable has been clearly defined in the earlier part of the Act.

Sub-clauses 1 (*a*) and 1 (*b*) of Clause 7 should be deleted and sub-clause 1 (*c*) should, in the opinion of my Committee, be amended. It is open to objection for the reason that the non-resident would be liable to tax both in this country and in the country where he resides, and he would in reality be paying two taxes. Double assessment of this kind should if possible be avoided. If the object of Clause 7 (1*c*) is to prevent the mischief of profits disappearing through fictitious commission, this could be accomplished by omitting the words "the whole profits or gains arising from ....British India and," and substituting therefor the words "and in calculating such profits or gains."

Clause 7 (1*c*) would then read :—

"Where any profits or gains have accrued or arisen to any person directly or indirectly from the sale in British India by him or by any agency or branch on his behalf of any merchandise exported to British India by him or any agency or branch on his behalf from any place outside British India in calculating such profits or gains, no allowance shall be made under clause (*ix*) of sub-section 2 of Section 10 in respect of any buying or other commission whatsoever not actually paid, or of any other amounts not actually spent, for the purpose of earning such profits or gains."—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 47.

INDIAN INCOME-TAX ACT AMENDMENT BILL (SECOND AMENDMENT).

No. 1988-F.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *27th September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*The Indian Income-tax (Second Amendment) Bill.*

I am directed to forward a copy of Government Resolution No. 1988, dated 27th September 1927, and to request the favour of the opinion of your Association on the Bill, by the 1st December 1927, at the latest.—I have, etc.,

S. E. SAYANI,
For *Deputy Secretary to the Government of Bombay,*
Finance Department.

GOVERNMENT OF BOMBAY.

FINANCE DEPARTMENT.

Resolution No. 1988.

BOMBAY CASTLE, *27th September*, 1927.

The Indian Income-Tax (Second Amendment) Bill.

Letter from the Government of India, Legislative Department, No. F-109-III/27-A, dated 20th September 1927 :—

" With reference to the Debates of the Legislative Assembly dated the 14th September 1927, I am directed to forward herewith 100 copies of the papers noted on the margin and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

1. The Indian Income-tax (Second Amendment) Bill with Statement of Objects and Reasons.
2. Extract from Legislative Assembly Debates dated 14th September 1927 *re.* the Bill.

" 2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper and that the dates of such publication may be communicated in your reply.

" 3. The reply to this letter should be sent in so as to reach the Government of India by the 2nd January 1928."

RESOLUTION :—The Indian Income-tax (Second Amendment) Bill together with the Statement of Objects and Reasons should be forwarded for favour of opinion to the following:—

THE BOMBAY MILLOWNERS' ASSOCIATION, Etc.

By order, etc.,

I. H. TAUNTON,
Deputy Secretary to Government.

A Bill further to amend the Indian Income-tax Act, 1922, for certain purposes.

Whereas it is expedient further to amend the Indian Income-tax Act, 1922, for certain purposes hereinafter appearing ; It is hereby enacted as follows :— XI of 1922.

Short title and commencement.

1. (1) This Act may be called the Indian Income-tax (Second Amendment) Act, 1927.

(2) It shall come into force on the 1st day of April, 1928.

Amendment of Section 2, Act XI of 1922.

2. In Section 2 of the Indian Income-tax Act, 1922 (hereinafter referred to as the said Act), XI of 1922.—

(*a*) after clause (6) the following clause shall be inserted, namely :—

"(6*A*) 'firm,' 'partner' and 'partnership' have the meanings assigned to them in the Indian Contract Act, 1872 XI of 1922."; and

(*b*) for clause (14) the following shall be substituted, namely :—

"(14) 'registered firm' means a firm registered under the provisions of Section 39A."

Amendment of Section 23, Act XI of 1922.

3. In sub-section (4) of Section 23 of the said Act, after the word "judgment" the words "and, in the case of a registered firm, may cancel the registration and assess it as if it were unregistered" shall be added.

Insertion of new Section 23A in Act XI of 1922.

4. After Section 23 of the said Act, the following section shall be inserted, namely :—

Power to assess individual members of certain firms, associations and companies.

"23A. (1) Where any firm or other association of individuals formed for the purpose of carrying on any business, other than a Hindu undivided family or a company, is such that only one member thereof is competent to bind the firm or association by his acts, the Income-tax Officer may, with the previous approval of the Assistant Commissioner, pass an order that no assessment on the firm or association as such shall be made, and may thereupon include in the total income of each individual member thereof for the purpose of his assessment his share in the profits and gains of the firm or association.

(2) Where a company—

(*a*) restricts the right to transfer its shares, or

(*b*) limits the number of its members (exclusive of persons who are in the employ of the company) to fifty or less, or

(*c*) prohibits or makes no provision for any invitation to the public to subscribe for any share or debentures of the company,

and the Income-tax Officer is satisfied that the company is under the effective control of not more than five members, he may, with the previous approval of the Assistant Commissioner, pass an order that no assessment on the company as such shall be made, and may thereupon include in the total income of each individual member thereof for the purpose of his assessment his share in the profits and gains of the company."

Amendment of Section 28, Act XI of 1922.

5. For Section 28 of the said Act, the following section shall be substituted, namely :—

"28. (1) If the Income-tax Officer, the Assistant Commissioner or the Commissioner, in the course of any proceedings under this Act, is satisfied that an assessee has concealed the particulars of his income or has deliberately furnished inaccurate particulars of such income, and has thereby returned it below its real amount, he may direct that the assessee shall, in addition to income-tax payable by him, pay by way of penalty a sum not exceeding the amount of the income-tax which would have been avoided if the income so returned by the assessee had been accepted as the correct income.

Penalty for concealment of income or improper distribution of profits.

(2) If the Income-tax Officer, the Assistant Commissioner or the Commissioner, in the course of any proceedings under this Act, is satisfied that the profits of a registered firm have not been distributed in accordance with the shares of the partners as shown in the instrument of partnership registered under this Act, or with any declaration made under this Act as to the time of distribution of such profits, and that any partner has thereby returned his income below its real amount, he may direct that such partner shall, in addition to the income-tax payable by him, pay by way of penalty a sum not exceeding the amount of income-tax which would have been avoided if the income returned by such partner had been accepted as his correct income ; and no refund or other adjustment shall be claimable by any other partner by reason of such direction.

(3) No order shall be made under sub-section (1) or sub-section (2), unless the assessee or partner, as the case may be, has been heard, or has been given a reasonable opportunity of being heard.

(4) No prosecution for an offence against this Act shall be instituted in respect of the same facts on which a penalty has been imposed under this section.

(5) An Assistant Commissioner or a Commissioner, who has made an order under sub-section (1) or sub-section (2), shall forthwith send a copy of the same to the Income-tax Officer."

Amendment of Section 30, Act XI of 1922.

6. In Section 30 of the said Act,—

(*a*) in sub-section (1) after the words "Income-tax Officer," where they occur for the second time, the words "and any firm objecting to an order of an Income-tax Officer refusing registration under sub-section (3) of Section 39A" shall be inserted ; and

(*b*) in sub-section (2) after the words "under Section 27," the words "or to register the firm under sub-section (3) of Section 39A" shall be inserted.

Amendment of Section 31, Act XI of 1922.

7. In sub-section (3) of Section 31 of the said Act, between clause (*c*) and the proviso, the following words and clause shall be inserted, namely :—

"or, in the case of an order under sub-section (3) of Section 39A,

(*d*) confirm such order, or cancel it and any proceedings in relation to the assessment of the firm which the Income-tax Officer may have taken subsequent thereto, and direct the Income-tax Officer to make a fresh assessment, and the Income-tax Officer shall thereupon proceed to make such fresh assessment."

Amendment of Section 32, Act XI of 1922.

8. At the beginning of sub-section (1) of Section 32 of the said Act, the words "Any firm, association or company objecting to an order passed by an Income-tax Officer under Section 23A, and" shall be inserted.

Insertion of new Section 39A in Act XI of 1922.

9. After Section 39 of the said Act, the following section shall be inserted, namely :—

Procedure in registration of firms.

"39A. (1) Application may be made to the Income-tax Officer on behalf of any firm, constituted under an instrument of partnership specifying the individual shares of the partners, for registration for the purposes of this Act and of any other enactment for the time being in force relating to income-tax or super-tax.

(2) The application shall be made by such person or persons, and at such times, and shall contain, in addition to a declaration as to the time of distribution of the profits of the firm, such other particulars and shall be in such form as may be prescribed ; and it shall be dealt with by the Income-tax Officer in such manner as may be prescribed.

(3) The Income-tax Officer may inquire into the incidents of the partnership, and may refuse to register any association of individuals which, in his opinion, is not a firm."

Amendment of Section 54, Act XI of 1922.

10. In sub-section (2) of Section 54 of the said Act, after the first proviso, the following proviso shall be inserted, namely :—

"Provided, further, that nothing in this section shall apply to the production by a public servant before a Court of any document, declaration or affidavit filed, or the record of any statement or deposition made in a proceeding under Section 39A, or to the giving of evidence by a public officer in respect thereof."

Insertion of new Section 66B in Act XI of 1922.

11. After Section 66A of the said Act, the following section shall be inserted, namely :—

Statement of case by Commissioner to High Court in cases arising under Section 23A.

"66B. (1) Nothing in sub-section (2) or sub-section (3) of Section 66 shall apply to an order under Section 32 whereby the Commissioner decides an appeal against an order of an Income-tax Officer under Section 23A.

(2) In such cases the firm, association or company may, by application accompanied by a fee of one hundred rupees, require the Commissioner to refer to the High Court any question of fact or law arising out of the order, and the Commissioner shall, within one month of the receipt of such application, draw up a statement of the case and refer it with his own opinion thereon to the High Court, together with all documentary or oral evidence produced before him, and the High Court shall decide thereon all questions of fact and law raised thereby.

(3) The provisions of sub-sections (4), (5), (6), (7) and (8) of Section 66 shall, as far as may be, apply to such references, and for this purpose the term "assessee" shall be deemed to include an applicant firm, association or company, and the term "assessment" to include any assessment made on an individual consequent upon the original order of the Income-tax Officer.

(4) The provisions of Section 66A shall apply to references to the High Court under this section :

Provided that nothing in this sub-section shall be deemed to authorize an appeal to His Majesty in Council on a question of fact."

STATEMENT OF OBJECTS AND REASONS.

The Government have been considering for some time, in consultation with the commercial community and the officers of the Income-tax Department, the best methods of rendering illegal certain practices, now legal, which are adopted by persons desirous of evading the payment of income-tax and super-tax, and this Bill proposes to give the taxing authorities the necessary powers to check such evasion.

2. Broadly speaking, the proposals in the Bill are—

(1) to define a 'firm,' ' partner ' and ' partnership' in the same sense as in the Indian Contract Act, 1872 ;

(2) to give discretion to the Income-tax Officer to treat as separate assessees the individuals comprising any association carrying on business, of which only one member is competent to bind the association by his acts ;

(3) to give the Income-tax Officer discretion to treat the members of a company as separate assessees if the company restricts the right to transfer shares or limits the number of shareholders, exclusive of employees, to 50, or does not invite, or permit subscription to its shares or debentures by the public ; and is under the control of not more than five members ;

(4) to permit the production by public servants before a Court of all documents or information relating to the registration of firms ;

(5) to impose penalties for failure actually to distribute shares of the profits of a firm in accordance with the provisions of the deed of partnership registered under the Income-tax Act ; and

(6) to give discretion to the Income-tax Officer to treat a registered firm as an unregistered firm if it fails to make a return of its income or to produce accounts or other documents called for by the Income-tax Officer.

3. The powers under (2) and (3) in paragraph 2 above will be exercised by the Income-tax Officer, with the previous approval of the Assistant Commissioner, and an appeal will lie against the orders of the Income-tax Officer to the Commissioner of Income-tax. Against the appellate order of the Commissioner, it is proposed to allow a reference to the High Court both on questions of fact and on questions of law instead of on questions of law only as in all other matters arising under the Income-tax Act.

The 3rd August, 1927. BASIL P. BLACKETT.

Extract from the Legislative Assembly Debates, Vol. IV, No. 61.

The Assembly met in the Assembly Chamber, Simla, on Wednesday, the 14th September, 1927.

* * * * * *

THE INDIAN INCOME-TAX (SECOND AMENDMENT) BILL.

(*Amendment of Sections* 2, 23, 28, *etc.*)

THE HONOURABLE SIR BASIL BLACKETT (Finance Member) : Sir, I move that the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes (amendment of Sections 2, 23, 28, etc.) be circulated for the purpose of eliciting opinions thereon.

This is a Bill designed to do something towards checking what is known as legal evasion of income-tax and super-tax. The provisions of the Bill are technical and obviously the first requisite is that the Bill should be circulated and public opinion elicited thereon. I do not know whether the House desires that I should enter at this stage into the details of the Bill and, on the assumption that they would prefer to be spared from having that done, I will confine myself to moving that the Bill be circulated.

MR. C. DURAISWAMY AIYANGAR (Madras Ceded districts and Chittoor: Non-Muhammadan Rural): Sir, as this motion is only for circulation I do not propose to detain the House by any detailed examination of the Bill. But at the same time I want to know from the Honourable the Finance Member what are the principles involved in the Bill which he has brought before the House, so that we may get some opinions from the persons to whom the Bill is to be circulated. For instance, I do not find on what principle Section 23A is to be added here, giving liberty to the Income-tax Officer either to levy the tax on the income of the individual member of a firm separately or on the profits of the firm as a whole. Is it on the principle of getting as much money as possible? If the individual member is otherwise not assessable, then add this profits amount to his income and the Income-tax Officer will have the discretion to levy income-tax on the individual separately. If, on the other hand, there is a likelihood of individual members being assessable for their share in the profits of the firm, in addition to their private income-tax, then I suppose it will be upon the firm that the income-tax will be assessable. Is that the principle involved? Is the discretion to be given to the Income-tax Officer to get some tax by hook or by crook, either by levying the tax on the firm or on the individual members separately, according as such income-tax will be enhanced by such a discretion being exercised?

Again, in Clause 5, I am unable to understand why in 28 (2), because some partners who are not able to get the profits distributed to them on account of some dispute in the firm, every one should be penalized not only by making them pay the income-tax which they would otherwise have to pay by adding those profits, but by levying a penalty. Disputes in partnership may arise at any time and it does not seem fair that every individual member who is unable to get his profits distributed by the firm should also be asked to pay some penalty for his not getting his profits and for not having included those profits as a portion of his income.

I do not propose to go into further details at this stage and will only ask whether the Honourable the Finance Member in framing this Bill will not also see his way to making some provision for references to the civil courts in each district in cases of minor importance instead of confining the reference always to the High Court. There is a wide demand from assessees that some provision should be made for reference to the local civil courts instead of always making a reference to the High Courts, which may be done in more important cases.

With these suggestions I do not propose to detain the House any further at this stage.

THE HONOURABLE SIR BASIL BLACKETT: Sir, I should be glad to have the points raised by my honourable friend Mr. Duraiswamy Aiyangar carefully considered before the next motion comes on in regard to this Bill. I think he has slightly misunderstood the purpose particularly of Clause 5, which is a case of penalties for concealment of income or improper distribution of profits. I think one might say that the principle of this Bill is to prevent income-tax that is due in equity failing to be collected owing to hook and crook, not an effort by the Government by hook or by crook to obtain all sorts of income-tax but to prevent the tax-payer, who is paying equitably, from being unfairly treated in comparison with someone who equitably ought to pay more and is in fact succeeding in evading it. As the motion is only one for circulation I will not detain the House by a more learned or more lengthy discussion of the Bill at this stage.

MR. PRESIDENT: The question is:

"That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes (amendment of Sections 2, 23, 28, etc.) be circulated for the purpose of eliciting opinions thereon."

The motion was adopted.

No. 2355-58A of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *2nd December*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE FINANCE DEPARTMENT, BOMBAY CASTLE.

SIR,

SUBJECT :—*The Indian Income-tax (Second Amendment) Bill.*

With reference to your letter No. 1988-F, dated 27th September, I have the honour to request that Government may be pleased to extend to 31st December 1927 the time within which the Association's views on the above Bill may be submitted.

The Bill is of considerable importance to the members of the Association, and my Committee are in consultation with their lawyers on certain legal points in connection therewith. My Committee very much regret it has not been possible for them to express their opinion within the time stipulated, and they trust Government will see their way to comply with the request made above.—I have, etc.,

T. MALONEY,
Secretary

No. 1988-F.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *5th December*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*The Indian Income-tax (Second Amendment) Bill.*

I am directed to acknowledge the receipt of your letter No. 2355-58-A of the 2nd instant in which you request that the time within which your Association should reply to this Department's reference of the 27th September last may be extended to 31st December next. And I am to say that, unless your reply is received this week, Government regret that they will be deprived of the benefit of knowing the views of your Association in framing their report to the Government of India. If, however, it is not possible for your Association to send its views until the date you have indicated I am to suggest that its opinion should be forwarded direct to the Secretary to the Government of India, Legislative Department, New Delhi, not later than the 31st instant and that a copy of it may be sent to this Department for information.

2. The Government of India will be informed accordingly.—I have, etc.,

C. G. FREKE,
Deputy Secretary to the Government of Bombay
Finance Department.

No. 2551-58 A of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *28th December*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
THE LEGISLATIVE DEPARTMENT, DELHI.

SIR,

Indian Income-tax (Second Amendment) Bill.

I am directed to forward for consideration of the Government of India the views of my Association in regard to the Indian Income-tax (Second Amendment) Bill.

The Association's opinion on the provisions of the Bill was originally solicited by the Government of Bombay but the necessity of taking legal opinion on the Bill made it impossible to submit a reply by the date specified in their letter, and in answer to an application which the Association made for an extension of the period allowed for the submission of a considered reply, the Government of Bombay directed that the views of the Association should be submitted directed to the Government of India.

2. The Statement of Objects and Reasons points out that the Government have for some time been considering, in consultation with the commercial community and the officers of the Income-tax Department, the best methods of circumventing certain practices which are at present adopted for the evasion of income-tax and super-tax. What has not been made equally clear is that the proposals incorporated in the present Amending Bill are substantially the same as were suggested in 1923 and 1924, and which were adversely criticized by almost every section of the commercial community, on the grounds that the proposals made, if enforced, would greatly harass genuine firms and companies, but would be most unlikely to achieve the object for which the legislation has been framed, and for this reason my Committee are strongly of the opinion that the proposed legislation should not be proceeded with, or that at the very least, if proceeded with, should be modified in such a manner as to ensure that genuine firms and private companies are safeguarded against undue harassment and interference by the Income-tax authorities. At the same time, my Committee desire to make it clear that they are in entire sympathy with Government in their desire to deal adequately with bogus firms and private companies formed for the sole object of avoiding payment of income and super tax.

3. Legislation has already been adopted in England of a character similar to that which it is now proposed to enact in India, but with very much greater justification, for the reason that the company super-tax no longer exists. It was removed chiefly for the reason that the British Government realized that it acted as a great handicap to investment in industrial enterprises, and because the inequitable nature of the tax was driving vast quantities of capital abroad. In many cases company super-tax has to be paid twice and in some cases three times on the same profits as was pointed out in a representation made to the Government of India by the Burma Indian Chamber of Commerce on 2nd July 1926.

4. It is not generally realized how unfairly industrial investments are penalized as compared with investments in Government loans. Public and private companies now have to pay 1½ annas income-tax and 1 anna company super-tax on any profits in excess of Rs. 50,000. These two taxes are deducted at source but the individual shareholder, no matter how small his annual income, is not entitled to any refund in respect of the super-tax paid by the company. Compare this procedure with that adopted in regard to investments in Government securities which pay no company super-tax, and it will be realized what a handicap the company super-tax is to investment in industrial securities and how unfairly it penalizes the small investor, who, in reality, is paying a very large proportion of the company super-tax. When, however, a comparison with investments in the form of fixed deposits in banks is made, the injustice of the company super-tax becomes even more apparent, for, unless the assessee goes out of his way to inform the Income-tax authorities that he will receive a certain amount of interest from fixed deposits in banks, the interest received on his investment will be charged to neither income nor super tax. It appears to my Committee to be most unfair that fixed deposits in banks should retain the privileges in regard to income and super tax which they now enjoy to the detriment of investments in public companies,

and my Committee would give their support to any reasonable legislation which the Government of India might consider necessary to enable interest on fixed deposits to be taxed at source, provided that interest on current account was not taxed.

The revenue which Government would receive by taxing the income from interest, especially of foreign depositors to whom income accrues in British India and who hitherto have practically escaped assessment, would probably go a very long way to make up for the loss in the revenue which the Government of India would suffer by the abolition of the company super-tax which, in the opinion of every section of the commercial community, acts as a handicap to industrial development, penalizes the small investor, encourages companies to attempt to evade taxation by means, which though devious, strictly comply with the provisions of the law, is most inequitable in its incidence—the same profit being in many cases taxed twice and even thrice—and depreciates the value of investment in industrial securities as compared with investments in fixed deposits and Government securities.

5. As regards the detailed provisions of the present Bill, my Committee have the following comments, criticisms and suggestions to make:—

Clause 3.—In the opinion of my Committee, the proposed addition to Section 23, sub-section (4) would give the Income-tax authorities powers out of all proportion to the nature of the alleged offence. The powers given to Income-tax Officers under this section of the Act are already very wide.

Clause 4.—My Committee, in agreement with the Bengal Chamber of Commerce and for reasons stated below, "are most apprehensive of the possible effect on the legitimate operations of *bona fide* business firms and companies of the legislation proposed" by this clause of the amending Bill and consider "that it is imperative that a preamble should be introduced in the new Section 23A which Clause 4 of the Bill proposes to add to the Indian Income-tax Act, 1922, making it indisputably clear that the application of the section shall be restricted to cases where an attempt has been made to evade taxation," and that the decision as to whether such an attempt has been made shall be with the Commissioner subject to assessee's right to have the matter referred to the High Court.

The first portion of Clause 4 which relates to firms, as far as my Committee are in a position to judge, would not then be very objectionable.

The second portion of Clause 4 which relates to companies falls in an entirely different category.

In effect it allows any private company to be labelled as bogus at the whim of the Income-tax Officer. The inequitable nature of such a power is apparent from the following quotation from a judgment by Lord Younger in 1921.

> "I do deprecate in connection with what are called one-man companies the too indiscriminate use of such words as simulacrum, sham or cloak or indeed any other term of polite invective. Not only do these companies exist under the sanction, even with the encouragement of the legislature, but I have no reason whatever to doubt that the great majority of them are as *bona fide* and genuine as in a business sense they are a convenient and suitable media for the provision and application of capital to industry."

It may be argued by the Government of India that it is not intended to harass genuine companies, but my Committee maintain that despite this intention at the time the Act is first enforced, there is the totally unjustifiable possibility, nay probability, that individual Income-tax Officers will abuse their privileges to the detriment of genuine companies, in their anxiety to collect the fullest amount of tax possible under the Act, and that at a time of financial stringency it is more than likely that the original intention of the framers of the Act will be conveniently set aside or forgotten.

Another serious objection which my Committee have against this legislation is that it will tend to prevent the flotation and development of private companies. The legislation now proposed seeks to increase the amount of tax recoverable from private companies by compelling a distribution of profits and this strikes at the roots of the only real reasons for their existence, namely, the desire to avoid risk and bankruptcy and to accumulate capital for the purpose of further industrial development. At a time when Government is supposed to be doing all in its power to attract capital for investment in industries, such an attitude

is inexplicable and contrary to the best interests of India whose vast potentialities for industrial development of all kinds have scarcely been touched.

My Committee would welcome legislation in regard to private companies to prevent loans being made without or at nominal rates of interest to shareholders, with the object of evading income and super tax, and consider that if this evil was overcome, Government would have little or nothing to complain of as far as private companies are concerned.

If, however, it is the intention of Government to persist in their attempt to press through Clause 4 (2) of this Bill in spite of the opposition of the preponderating majority of the commercial community and without at the same time remitting the company super-tax, the abolition of which, it should be noted, preceded somewhat similar legislation in England, my Committee wish to impress upon Government the absolute necessity of qualifying the power given to Income-tax Officers and of protecting private companies to some extent, at least, from unwarranted interference by over-zealous or unscrupulous Income-tax officials and therefore wish to suggest the insertion of adequate safeguards which would prevent the Income-tax Officers from computing individual assessments on an unreasonable basis. In this connection my Committee put forward for consideration the following amendment of the final paragraph of Clause 4 (2) of the Bill:—

> "And the Income-tax Officer is satisfied that the company is under the effective control of not more than five members, he may, with the previous approval of the Assistant Commissioner being satisfied that the profits distributed are unreasonably small *after hearing the assessee and after taking into consideration the reasons for the allowances made for depreciation, reserves against bad debts, extensions, shrinkage of assets, general reserves and special allowances made owing to special circumstances,* pass an order, *his reasons for which he shall state in writing and furnish a copy thereof to the company,* that no assessment on the company as such shall be made, and may thereupon include in the total income of each individual member thereof for the purpose of his assessment, his share in the profits and gains of the company."

Clause 5.—My Committee consider that there is no need to amend Section 28 of the Act for the reason that Section 23 (4) already provides the Income-tax Officer with sufficiently wide powers and a further penalty clause dealing specifically with registered firms is therefore unnecessary.

Clause 10.—While my Committee have no objection to the production by Income-tax officials of all documents relevant to a case it will be understood that in many deeds of partnership there are provisions and arrangements which would be entirely unconnected with any case regarding the correctness of an income-tax assessment, the disclosure of which would be detrimental to the interests of the firm and under these circumstances my Committee consider that a special provision should be made to prevent the disclosure of any of the provisions of a deed of partnership which has no relevance to a particular case.

Clause 11 (2).—My Committee are in agreement with the suggestion that references to the High Court should be allowed on questions of fact and law instead of upon questions of law only, but consider that the scope of the amending section should be extended so as to include all questions of fact arising out of any provisions of the amending Bill and that the assessee as well as the Commissioner should be entitled to submit a statement of the case to the High Court.

6. In regard to those clauses not discussed, my Committee have no suggestions to offer. My Committee desire to apologise for the length of this letter and the unavoidable delay which has occurred in its submission, their excuse is the complexity and importance of the subject and a desire to convince the Government of India of the unsatisfactory nature of the present proposals and the desirability of approaching the amendment of the Indian Income-tax Law from a somewhat broader angle than has been indicated in recent legislation which has apparently been directed towards obtaining greater returns by unfair penalization of industrial enterprise, double taxation and a slavish imitation of certain portions of the English Law unaccompanied by the relief which has been accorded by English Law in the matter of company super-tax.—I have, etc.,

T. MALONEY,
Secretary.

No. 2553/58 A of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *28th December*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE FINANCE DEPARTMENT, BOMBAY.

SIR,

SUBJECT :—*The Indian Income-tax (Second Amendment) Bill.*

With reference to your letter No. 1988-F, dated the 5th December, I have the honour to enclose herewith a copy of the letter* addressed to-day to the Government of India on the above Bill.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 48.

INCOME-TAX ON PROVIDENT FUND CONTRIBUTIONS.

THE SVADESHI MILLS CO., LTD.,
BOMBAY, *22nd June*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Re. *Income-tax on Provident Fund Contributions.*

We beg to send herewith the under-mentioned copies of correspondence we have had recently with the Income-tax Officer (Salaries), Bombay, and the Central Board of Revenue regarding the liability of provident fund contributions to income-tax :—

† Letter No. 218/S46/S. B. of 26-4-27 from the Income-tax Officer (Salaries).

† Our letter of 27-4-27 to the Income-tax Officer (Salaries).

† Letter No. 21/S46/S. B. of 20-5-27 from the Income-tax Officer (Salaries).

† Our letter of 31-5-27 to the Secretary, Central Board of Revenue.

† Letter No. 445/I.T./27 of 14-6-27 from the Secretary, Central Board of Revenue.

† Our letter of 22-6-27 to the Secretary, Central Board of Revenue.

As will be seen from this correspondence we had contended that the contribution (including interest) made by an employer to any provident fund as also the interest on the employees' contributions to the fund should be exempt from income-tax on the ground that these constitute a capital sum which when invested will yield an income to the employee on his retirement or to his relatives in the event of his death. The Income-tax Officer and the Central Board of Revenue have, however, ruled that under the provisions of the Indian Income-tax Act, the employer's contributions with interest and the interest on the employees' contributions to a provident fund to which the Provident Funds Act, 1897, does not apply constitute income under the heading "salaries" and as such are liable to taxation at source.

* Already printed. † Not printed.

Our object, therefore, in writing to you is to request that your Committee may consider the desirability of getting the Income-tax Act amended so that private provident funds and those funds to which the Provident Funds Act applies are placed on the same footing, at least so far as the exemption from taxation of the employer's contribution and the interest on the employer's and employees' contributions is concerned. We hope your Committee will agree with us that whatever may be the justification for making a distinction between provident funds to which the Provident Funds Act applies and those to which it does not apply, the reason for such distinction disappears when the accumulated balance of the Provident Fund money is actually paid to the employee. The employee in the case of a private provident fund should be as much entitled to receive the accumulated balance to his credit free of tax as the employee in the case of the privileged funds.

We suggest that the desired amendment in the Act can be effected by merely omitting the word " such " from Section 4 (3) (*v*) so that that sub-clause will read:—

> " Any capital sum received in commutation of the whole or a portion of a pension, or in the nature of consolidated compensation for death or injuries or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to any provident fund."

We shall be obliged if your Committee will take up this question with the Government of India.—Yours, etc.,

TATA SONS, LIMITED,
Agents,

N. B. SAKLATVALA,
Director.

No. 1485/131 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *9th August,* 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCE DEPARTMENT, SIMLA.

SIR,

SUBJECT:—*Income-tax on Contributions to Provident Funds.*

I have the honour, under directions of my Committee, to invite the attention of the Government of India to the necessity of adopting measures for exempting from income-tax contributions made by employers and employees to provident funds, and interest on such contributions.

2. My Committee maintain that the accumulated amount to the credit of an employee in a provident fund cannot in equity be treated as " income," but it constitutes a capital sum which when invested will produce the income. In fact it is of the nature of insurance money: when paid to the family of a deceased employee it is of the nature of insurance payable at death, and when paid to an employee on retirement it is of the nature of endowment insurance. The Indian Income-tax Act exempts from income-tax capital sums received in commutation of the whole or a portion of a pension or in payment of any insurance policy, or as the accumulated balance at the credit of a subscriber to a provident fund to which the Provident Funds Act is applicable, and it is my Committee's considered opinion that Government are not acting in conformity with the spirit of the Act when they charge income-tax on contributions made by employers and employees to provident funds not subject to the Provident Funds Act and on interest on such contributions.

3. I am directed to point out that whatever may be the justification for a distinction between provident funds to which the Provident Funds Act applies and those to which it does not apply, the reason for such distinction disappears when the accumulated balance of the provident fund money is actually paid to the employee. My Committee submit that the employee in the case of a private provident fund should be as much entitled to receive the accumulated balance to his credit free of tax as the employee in the case of provident funds which are subject to the Provident Funds Act.

4. My Committee trust that Government on careful consideration will recognize that it is neither fair nor equitable to levy income-tax on the contributions made to provident funds to which the Provident Funds Act is not applicable and that early steps will be taken to place provident funds which are not subject to the Provident Funds Act on the same footing as the funds coming within the scope of that Act, so far as payment of income-tax is concerned.—I have, etc.,

J. P. WADIA,
Assistant Secretary.

C. No. 670-I.T./27.

CENTRAL BOARD OF REVENUE,
SIMLA, 15*th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Provident Fund—Private Sums paid to Private Employee on his Retirement—Liability to Tax.

I am directed to acknowledge the receipt of your letter No. 1485/131 of 1927, dated 9th August 1927, on the above subject, which is receiving attention.—I have, etc.,

V. S. SUNDARAM,
Secretary, Central Board of Revenue.

D.A.D/S. No. 670 (iv)-I. T./27.

CENTRAL BOARD OF REVENUE,
SIMLA, *7th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Provident Fund—Private Sums paid to Private Employee on his Retirement—Liability to Tax.
Your letter No. 1485/131 *of* 1927, *dated 9th August* 1927.

In reply to your letter quoted above, I am directed to say that the question of amending the Provident Funds Act so as to permit of its being extended to private provident funds is under the consideration of the Government of India. If the Provident Funds Act is so amended, private funds to which its provisions are extended will be on the same footing so far as the Income-tax Act is concerned as Government provident funds.

2. The Board has already issued instructions that where a payment is made to an employee from a private provident fund that constitutes a genuine irrevocable Trust, no part of such payment should be treated as salary liable to taxation by deduction at the time of payment since the Trust is not the payee's employer.—I have, etc.,

V. S. SUNDARAM,
Secretary, Central Board of Revenue.

No. 1889/131 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th October*, 1927.

THE COMMISSIONER OF INCOME-TAX,
BOMBAY.

SIR,

Provident Fund—Private Sums paid to Private Employee on his Retirement—Liability to Tax.

I have the honour to forward herewith a copy of a letter* received from the Central Board of Revenue on the above subject, and to request you kindly to forward to this Association a copy of the exact instructions issued by the Board of Revenue and referred to in the second para of their letter. It would appear that all the grievances of an employee are removed by these instructions except that income-tax will still have to be paid on his own monthly contribution to the provident fund. The lump sum which an employee receives on retirement consists of his own contributions plus interest on his contribution plus the employers' contribution plus interest on employers' contribution, minus income-tax on the last three items. This income-tax, it appears, is not now going to be deducted when a lump sum is paid to the employee, and I shall be glad to know if the above is the correct interpretation of the letter from the Board of Revenue.—I have, etc.,

T. MALONEY,
Secretary.

No. B.V. 164/27.

OFFICE OF THE COMMISSIONER OF INCOME-TAX,
BOMBAY, *14th October*, 1927.

SIR,

Provident Fund—Sums paid to Employee on Retirement—Liability of—Your No. 1889/131 *of 12th instant.*

With reference to the above, I have the honour to inform you that the Central Board of Revenue has issued instructions to the effect that when a private provident fund has been formed into a genuine Trust, a payment made therefrom to a retiring employee is not to be taxed *at source* by the Trust paying it because it (the Trust) is not the employer of the retiring employee. The payment is, however, all the same liable to tax but is to be taxed direct by the Income-tax Officer. For example, suppose that A. B. & Co. has a provident fund which is formed into an irrevocable Trust. If an employee on retirement is paid, say. Rs. 10,000 by this Trust, the whole sum will be paid by the Trust to the employee without any deduction of tax, because it (the Trust) is not to be regarded as his employer. The Income-tax Officer concerned will, however, proceed to tax the employee directly on the sum received by him.

I trust the above will make the matter clear to you.—I have, etc.,

J. B. VACHHA,
Commissioner of Income-tax, Bombay Presidency.

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* Already Printed.

APPENDIX 49.

REQUISITION BY INCOME-TAX OFFICER FOR THE SUPPLY OF PARTICULARS OF INTEREST PAID TO DEPOSITORS.

THE CENTURY SPG. & MFG. CO., LTD.,
BOMBAY, 31*st October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

The Income-tax Officer has recently asked us for the names and addresses of the recipients of Rs. 500 and over of the interest paid to the depositors together with a statement of amounts paid to each depositor. The information has been called for under Sections 22 (4) and 37 of the Income-tax Act, 1922. We have declined to furnish the particulars asked for as we are of opinion that the Act does not confer on the Income-tax authority the right to demand such information. As other members of the Association may also have been served with a similar requisition, we desire to bring the matter to the notice of the Committee so that they may deal with it in the interests of the general body.—Yours, etc.,

For THE CENTURY SPG. & MFG. CO., LTD.,
C. N. WADIA & CO.,
Agents.

THE BOMBAY DYEING & MFG. CO., LTD.,
BOMBAY, 5*th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

With reference to the circular sent round to the members of the Committee regarding the Income-tax Officer calling upon the companies to give him the names and addresses of the recipients of Rs. 500 and over as interest paid to depositors from the company, we had a similar request from the Income-tax Officer, and have taken legal opinion in the matter from our solicitors, Messrs. Craigie, Blunt and Caroe, and as this matter is coming up for consideration on Monday, the 7th instant, we send you herewith a copy of our solicitors' letter for the information of the Committee.—Yours, etc.,

For THE BOMBAY DYEING & MFG. CO., LTD.,
NOWROSJEE WADIA & SONS,
Agents.

Copy of letter dated 31*st October*, 1927 *received by Messrs. Nowrosjee Wadia & Sons from Craigie, Blunt & Caroe.*

DEAR SIRS,

We beg to acknowledge receipt of your letter of the 27th instant covering a copy of the correspondence which has passed between yourselves and the Senior Income-tax Officer, Bombay.

We note from his letter of the 12th instant that this officer requires you to furnish him with the names and addresses of the recipients of interest amounting to Rs. 500 and over from the company.

The Income-tax Officer relies on Section 22, sub-section 4 and Section 37 of the Income-tax Act, 1922, in support of his demand.

You write that you have referred to these sections and find that they refer only to the production of documents and you therefore desire to be advised whether you will be on safe ground in disclosing the names of your depositors and the amounts received by them as interest on their current accounts without their knowledge and consent.

We beg to express our opinion on the query submitted to us.

In our opinion the Senior Income-tax Officer is in error in relying on Section 22, sub-section 4 of the Act. That section in our opinion only justifies the Income-tax Officer in obtaining information in connection with a return of income by the person or company from whom the information is required and does not in our opinion justify him in seeking information from such person or company concerning the dealings by such person or company with third parties.

Section 37, however, in our opinion justifies the Income-tax Officer within the limits of that section in obtaining information to enable him to ascertain the income of parties other than the person or company from whom the information is sought. The section authorises the Income-tax Officer (*a*) to enforce the attendance of a person and to examine him on oath or affirmation, (*b*) to compel the production of documents, and (*c*) to issue commissions for the examination of witnesses.

Strictly speaking, therefore, the Income-tax Officer is not authorised to require you to furnish him with the list of the parties for which he has asked. He can, however, under the section require you to produce before him the books of the company and to examine you thereon.

If, therefore, you decline, as we think you are strictly entitled to do, to furnish the Income-tax Officer with the information he requires, he will summon you to produce the books of the company and will by these means obtain the information he requires. The result will be the same in the end and will probably cause you more trouble.

Under the circumstances, we think, and we have under similar circumstances advised other clients, that it is advisable to furnish the Income-tax Officer with the information he requires. We do not think your depositors can, if you comply with the request of the Income-tax Officer, have any complaint against you.—(Sd.) CRAIGIE, BLUNT & CAROE.

No. 2143/176 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *8th November*, 1927.

To

ALL MEMBERS OF THE ASSOCIATION.

DEAR SIRS,

It has been brought to the notice of the Committee that the Income-tax Officer, Bombay, has called upon certain mill companies to furnish him with the names and addresses of the recipients of interest amounting to Rs. 500 and over. In support of his demand he has relied on Section 22, sub-section 4, and Section 37 of the Income-tax Act, 1922.

Solicitors' opinion has been taken and it is to the effect that the Income-tax Officer has no power under these sections to call upon companies to furnish him with the particulars asked for. He can, however, under Section 37, require companies to produce before him the books of the company or can send an authorised representative to inspect the books.

The Committee of the Association have given very careful consideration to the matter, and they are of the opinion that the request made by the Income-tax Officer should not be complied with. They therefore recommend that you should write to the Income-tax Officer that the sections quoted by him do not empower him to call upon companies to furnish him with the lists required and that you therefore regret your inability to comply with the request made by him.—Yours faithfully,

T. MALONEY,
Secretary.

No. 2172/176 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 10*th November*, 1927.

THE BOMBAY DYEING & MFG. CO., LTD.,
BOMBAY.

DEAR SIRS,

I am directed to acknowledge the receipt of your letter dated the 5th November and enclosure regarding the Income-tax Officer calling upon the companies to give the names and addresses of the recipients of Rs. 500 and over as interest.—Yours faithfully,

T. MALONEY,
Secretary.

APPENDIX 50.

BILL FURTHER TO AMEND THE INDIAN COINAGE ACT, 1906, AND THE INDIAN PAPER CURRENCY ACT.

No. 323/57 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 11*th February*, 1927.

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCE DEPARTMENT, DELHI.

SIR,

I am directed to address you with reference to the Bill which the Government of India propose to introduce during the present session of the Legislative Assembly for the purpose of amending the Indian Currency and Coinage Acts so as to give effect to the majority recommendations of the Royal Commission on Indian Currency and Finance.

2. After most careful and prolonged consideration of the effects of the fixation of the exchange value of the rupee at 1*s.* 6*d.* gold as recommended by the majority of the members of the Royal Commission on Indian Currency and Finance, my Committee are convinced that in

the interests of the country as a whole the Bill should be amended in such a manner as to fix the exchange value of the rupee at 1*s.* 4*d.* gold instead of 1*s.* 6*d.* gold, and trust that in the event of the majority of the members of the Legislative Assembly expressing themselves in favour of the former ratio, the Government of India will accept that ratio in preference to the ratio of 1*s.* 6*d.* gold and amend the Bill accordingly.

3. The views of my Committee as to the detrimental effects of the 1*s.* 6*d.* ratio on the people of India generally and the cotton textile industry in particular were set forth at some length in the Association's written and oral evidence before the Currency Commission, the written and oral evidence submitted to the Tariff Board in the recent investigations of the claims of the Indian cotton industry to protection and in the Association's letter 1715/141, dated 12th October 1926, addressed to your department, and very little more needs to be added to the views already expressed heretofore by the Association.

4. It is, however, significant that no recognized authority has ever been able to deny that during the so-called period of adjustment the cotton manufacturing industry of this country will be very materially handicapped in both the home and foreign markets in competition with other countries.

The extent of the handicap suffered by the Indian textile industry owing to the exchange rate being fixed at 1*s.* 6*d.* in preference to 1*s.* 4*d.* gold is self-evident from the appended statement showing the allocation of costs in the production of a piece of standard shirting weighing 9 lbs. and 40 yards made from 20s warp and 20s weft supplied by one of the most representative mills in Bombay. It is universally admitted that the foreign importer of piecegoods and yarn can sell his goods in India for 12½% fewer rupees with the exchange at 1*s.* 6*d.* instead of 1*s.* 4*d.* In other words, the rupee cost of every item making up his cost of production is 12½% less with exchange at 1*s.* 6*d.* than with exchange at 1*s.* 4*d.*

The Indian manufacturer, on the other hand, can only lower his rupee cost in certain items of the cost of production with a higher exchange and in regard to the remaining items of the cost of production the Indian manufacturer is disadvantaged owing to the fact that his rupee expenditure thereon remains unchanged.

The items in the cost of production on which the Indian manufacturer receives an advantage with the higher exchange at to-day's price of cotton constitute 54.8% of the total, and the items of cost of production remaining the same 45.2% of the total. His net disadvantage in competition with the foreign manufacturer when selling goods in India is, therefore, 45% of 12½%=5.65% if exchange is fixed at 1*s.* 6*d.* instead of 1*s.* 4*d.*

5. The "period of adjustment" during which this disadvantage would have to be suffered varies in length according to different authorities, but my Committee wish to point out that no matter what its length it would mean that during that period the amounts paid for power, wages, salaries, commission, interest on capital and taxation would all need to be reduced by 12½% before it would be possible for Indian mills to compete as advantageously with the rupee fixed at 1*s.* 6*d.* as compared with 1*s.* 4*d.* and in most of these items reductions, in the opinion of my Committee, are absolutely outside the bounds of practical possibilities at the present moment.

6. For the above and similar reasons, my Committee cannot agree that the question of the rupee ratio is one of minor importance. In their opinion, the gold value of the rupee is a question of vital importance to every agricultural or industrial producer.

7. The chief, if not the only, reason which was advanced by the majority report of the Currency Commission for advocating the fixation of the rupee at 1*s.* 6*d.* gold in preference to 1*s.* 4*d.* gold was that for eighteen months the exchange value of the rupee had been 1*s.* 6*d.* and that the level of prices had more or less become adjusted to that rate and a reversion to 1*s.* 4*d.* would mean a difficult period of readjustment involving widespread economic disturbance. My Committee do not agree with this contention, implying, as it does, that the purchasing power of the rupee has increased commensurately with the increase in its gold

value. If this is the case, it necessarily follows that the index number of the cost of living should have fallen since the rise in the gold value of the rupee from 1*s.* 4*d.* to 1*s.* 6*d.* provided that no change in the method of constructing the index has occurred in the interim.

8. No change has been made in the method of calculating the Bombay working class cost of living index during the last few years and it is, therefore, somewhat surprising to note that whereas the index number for 1924 when exchange was 1*s.* 4*d.* was 157, it was still 155 in 1926 when the exchange was 1*s.* 6*d.* or less than 1.3% lower in spite of the fact that the gold value of the rupee had increased by 12½%. This tends to disprove the contention of the Currency Commission that prices have to a large extent become adjusted to the 1*s.* 6*d.* level, and that reversion to the 1*s.* 4*d.* ratio which existed in 1924 would mean a difficult period of readjustment involving widespread economic disturbance.

9. It would rather seem that the adjustment of prices to the 1*s.* 6*d.* level has not yet progressed to any appreciable extent and that reversion to 1*s.* 4*d.* would therefore involve no serious economic disturbance in so far as the purchasing capacity of the wage-earner is concerned, but would be of great advantage to all industrial producers the prices of whose goods are regulated by the rupee prices of imported products of a similar nature, and would increase the purchasing power of the ryot producing crops for sale in the export markets.—I have, etc.,

T. MALONEY,
Secretary.

Allocation of Cost on Standard Shirting (9 *lbs.*, 40 *yds.*) 20s *warp and weft, with cotton at Rs.* 290 *per candy.*

	Annas.	Percentage.	
Cotton	45.46	37.3	54.8—Total items affected by exchange rate.
Waste Spinning	6.80	5.6	
Waste Weaving	3.96	3.3	
Insurance, spare parts, etc.	3.01	2.5	
Stores	7.44	6.1	
*On Cost	11.21	9.2	45.2—Unaffected by exchange.
Power	5.82	4.8	
Mill Management	5.22	4.3	
Wages	30.93	25.4	
Commission	1.91	1.5	
	121.76	100.0	
Disadvantage at 1*s.* 6*d.*	..45.2 of 12½% = 5.65%		

*On cost includes the following items of expenditure :—
Salaries of Head office staff; interest charges; rent, rates and taxes; printing; telephone; motor car expenses; travelling expenses; general charges; law charges; provident fund charges; petty cash and postal charges and muccadamage.

APPENDIX 51.

THE BOMBAY STOCK EXCHANGE, LIMITED.

No. 4206-A.

FINANCE DEPARTMENT,
BOMBAY CASTLE, 13*th June*, 1927.

THE SECRETARY,
THE MILLOWNERS ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Draft Rules of the Bombay Stock Exchange, Limited.*

I am directed by the Governor in Council to forward copies of the notification and correspondence specified in the margin* concerning the application of the Bombay Stock Exchange, Limited, for recognition under Section 4, sub-section (*i*) of the Bombay Securities Contract Control Act, 1925 (Bombay VIII of 1925), and to request that you will be so good as to favour Government, within one month from the receipt of this letter, with the opinion of your Association on the application and the objections raised to it and on the draft rules of the Exchange.—I have, etc.,

* Government Notification,† Finance Department, No. 4206-A, dated 29th April 1927.
Letter from the President, Native Share and Stock Brokers' Association, Bombay, dated 21st May 1927.
Letter from the Indian Merchants' Chamber, Bombay, dated 25th May 1927.

J. V. JOSHI,
For *Deputy Secretary to the Government of Bombay, Finance Department.*

Copy of letter dated 21st May 1927 from K. R. P. Shroff, President, Native Share and Stock Brokers' Association, Bombay, to the Secretary to the Government of Bombay, Finance Department, Bombay.

SIR,

Referring to the rules and regulations of the Bombay Stock Exchange, Ltd., published in the *Bombay Government Gazette* of the 5th instant, allow us please to mention that it is unusual and undesirable to have more than one Stock Exchange at any place however large the business there may be. Even in London where is transacted an enormous business of stocks and securities of a variety of descriptions of all the nations of the world there is but one and one Stock Exchange only. So is the case with other European countries. In New York no doubt there were two Exchanges, but you cannot be unaware of the present fate of the Consolidated Stock Exchange there. It has already closed its doors and its fate is hanging on the Committee of Inquiry. Anyhow it would be entirely out of the question to compare Bombay with New York in the matter of the volume of Stock Exchange business. In Bombay, it is superfluous to mention that there is not enough *bona fide* business for even half the number of the members of the present Exchange. The Atlay Committee stated as much on page 5 of its report:—"The business available for the present members, however, does not seem sufficient to provide a living for more than half the members."

Having regard to these facts it is the opinion of many business men, of thorough disinterestedness, that there is no room for a second Exchange.

† Not printed.

It is well known that in 1917 a second Stock Exchange came into existence with a view to carry out speculative transactions. Its organizers, however, signally failed to make it successful though the times then were most prosperous. Indeed the Exchange had twice to close down. They even attempted to capture the present Stock Exchange to achieve their selfish object, and exerted all their influence to get appointed a Committee of Inquiry. That was the Atlay Committee. But even then they signally failed in their object. Here are the very words of Sir Wilfred Atlay, the Chairman of the Committee: "I assure you that to my mind nothing is more ludicrous than any idea of putting a number of shoemakers among a body of watchmakers to manage its affairs. In the same way I do not think that merchants and millowners can run a Stock Exchange." Wiser words were never better spoken.

Now seeing that the Bombay Securities Contracts Control Act, 1925, deprives the public of the right to do forward business and finding that it is impossible to indulge in inordinate speculation anywhere outside the recognized Stock Exchange without being members thereof, it is not surprising that the old cry of a second Exchange should be once more revived in order to enrol therein as members and play their own game to their hearts' content. Thus unhealthy speculation would once again be rampant with ultimately disastrous consequences to the investing public at large.

My Association in submitting this representation trusts that the Government will carefully consider the necessity and utility or otherwise of a second Exchange.

The rules of both the Exchanges are now published in the *Government Gazette* and it is easy for any unbiased person or *bona fide* investor to judge for himself which constitutional rules are better. As regards the other working rules we would point out that they are merely a copy of our own. So that there is nothing new or more beneficial in the interest of the public, achieved in any sense whatsoever.

The unit of trading was Rs. 10,000 when we resolved to resuscitate the forward business in Government securities. But it was at your request that we agreed to alter it to Rs. 25,000. In view of this, the rules No. 339 and 342 should be similarly altered.

The Atlay Committee has impressed upon the Association the advisability of excluding the public from the market-place and has emphatically remarked: "We think the state of things disclosed by our enquiry shows that it is in the public interest that the public should be definitely excluded from the present building." (*Vide* page 9 of the Atlay Committee Report.) To carry out this recommendation we have framed Rule No. 175. This rule is enforced much to the dissatisfaction and ill-will of the public. In justice to us, Government should see that a similar rule is included in their draft.

The Atlay Committee further reports: "It is undoubtedly desirable that a member of the Association should be first and last a broker or dealer in stocks and shares..... We think, however, that duality of occupation should receive no encouragement from those who have influence and authority in the affairs of the Association." (*Vide* page 5 of the Report.) In pursuance of this recommendation we have framed Rule 7(*a*) whereas the new Exchange have no similar provision. On the contrary the new Exchange contravenes this recommendation of the Atlay Committee by their Rule No. 8 freely admitting Pedhis and Joint Stock Companies, etc. Even in the London Stock Exchange a firm is admitted a member only when all the partners are members of the firm.

Any person or firm who can afford to pay Rs. 1,500 as an entrance fee can become a member of the new Stock Exchange. As a measure of protection to the public it is essential that a Stock Exchange should admit as their members only those who are in sound financial position. If the entrance fee is as low as Rs. 1,500 there should be a provision for each member to deposit as security a sum not less than Rs. 15,000 with the Exchange so that a person of small means may not find entrance there. In the absence of such reasonable statutory safeguard there is nothing to prevent any person from entering upon huge unhealthy speculation with or without the support of any client by merely paying a small entrance fee of Rs. 1,500 and becoming a member.

Our Rule No. 7 (*c*):—

> No person shall be eligible for membership of the Association if he be a member of or subscriber to or shareholder or debenture-holder in any other institution, association, company or corporation in Bombay where dealings in stock, shares or like securities are carried on, unless he shall undertake on admission to membership of the Association instantly to sever his connection with such institution, association, company or corporation as the case may be.

Every Stock Exchange of repute has a similar rule. The new Exchange has considered it wise not to include it in their draft. The reason is apparent.

Under their Rule No. 6 they allow a bankrupt or an insolvent to be their member after he obtains a final discharge from the Court though he may not have paid anything to his creditors. And yet it is strange and inexplicable that a person who has compounded with his creditors cannot, under their Rule No. 7, be admitted even if he has paid 15 annas in the rupee. It is advisable that Rule No. 6 should be amended as per our Rule No. 5.

Our Rules 247—253 are meant chiefly for cash dealings and not for forward. No dealings for account should be allowed in any security unless it is first admitted for cash. The new Stock Exchange has copied this set of rules but my Association fails to understand why they have omitted the word " cash " in Rule 321. No Exchange should allow, in the interest of the public, dealings even for cash unless certain conditions are complied with by the company. The Atlay Committee have highly approved of our policy in this direction (*vide* last para on page 17 of their report).

We submit, therefore, that the word " cash " be inserted in their Rule 321 and the word " forward " be omitted from their Rule 160.

We may mention here as a side remark that the constitution of the new Exchange is nearly similar to that of the London Stock Exchange which has by this time from experience found that dual control is not at all desirable. In our case the members themselves are the proprietors of the property and funds of the Association, and the surplus income is not distributed among the members—a policy highly commended by the Atlay Committee (*vide* page 4 of the Report).—(Sd). K. R. P. SHROFF, *President.*

Copy of letter No. G. 1065, *dated 25th May* 1927, *from the Secretary to the Indian Merchants' Chamber to the Secretary to the Government of Bombay, Finance Department, Bombay.*

SIR,

SUBJECT:—*Recognition of the Bombay Stock Exchange, Ltd.*

The attention of the Committee of this Chamber is drawn to the recent notification in the *Bombay Government Gazette* regarding the application of the above Stock Exchange for recognition to the Governor in Council.

My Committee, in this connection, would draw the attention of the Government of Bombay to the following remarks of the Atlay Committee with regard to the Native Share and Stock Brokers' Association, which are very significant:—

> "The business available for the present members, however, does not seem sufficient to provide a living for more than half the members..... "

It will be seen from these remarks that there is no room for a second Stock Exchange in this city. As far as my Committee know, there are no two Stock Exchanges in any civilized city, and as such the formation of a second Stock Exchange in this city is contrary to the wholesome principles of the civilized world. My Committee further apprehend that if a new Stock Exchange is brought into existence, it is likely to encourage speculation. They are, therefore, strongly opposed to the recognition of the Bombay Stock Exchange, Ltd., under sub-section (1) of Section 4 of the Bombay Securities Control Act, 1925.

It is hoped that the Government of Bombay, in view of the reasons advanced by my Committee, will be pleased to disallow the application for recognition of the Bombay Stock Exchange, Ltd.—(Sd.) A. H. MARU, for *Secretary.*

No. 1335/126 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE FINANCE DEPARTMENT, BOMBAY.

SIR,

SUBJECT:—*Draft Rules of the Bombay Stock Exchange, Ltd.*

I have the honour to acknowledge receipt of your letter No. 4206-A of 13th June 1927 and reminder of the 22nd instant.

2. It is the considered opinion of my Committee that no case has been made out for the establishment of a second Stock Exchange in this city, and such being their view, they do not propose to examine in detail the draft rules of the Bombay Stock Exchange, and they trust that on careful consideration Government will recognize the advisability of discountenancing the attempt to establish another Stock Exchange in Bombay.—I have, etc.,

T. MALONEY,
Secretary.

No. 4206-A.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *29th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Draft Rules of the Bombay Stock Exchange, Ltd.*

I am directed to acknowledge the receipt of your letter No. 1335/126, dated 26th July 1927, on the subject mentioned above and to state that it is receiving attention.—I have, etc.,

J. V. JOSHI,
Assistant Secretary to the Government of Bombay.

No. 4206 A.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *10th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Bombay Stock Exchange—Recognition by Government.*

I am directed to refer to Government letter No. 4206-A, dated 13th June 1927, on the above subject, and to state that it is proposed to hold a conference on 16th November next to discuss the matter. The exact time and place will be communicated to you later on. I am to request you to be good enough to move your Association to nominate a representative to attend the conference.—I have, etc.,

J. V. JOSHI,
For *Deputy Secretary to the Government of Bombay.*

No. 4206-A.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *27th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*The Bombay Stock Exchange—Recognition by Government.*

In continuation of my letter No. 4206-A, dated 10th October 1927, on the above subject, I am directed to state that the meeting of the conference is unavoidably postponed till December next. The exact time and place will be communicated hereafter.—I have, etc.,

J. V. JOSHI,
For *Deputy Secretary to the Government of Bombay.*

No. 2073/126 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *2nd November*, 1927.

THE DEPUTY SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE FINANCE DEPARTMENT, BOMBAY.

SIR,

SUBJECT:—*Bombay Stock Exchange—Recognition by Government.*

With reference to your two letters No. 4206-A, dated the 10th and 27th of October 1927 respectively, on the above subject, I have the honour to inform you that Mr. F. F. Stileman of Messrs. Killick Nixon & Co. will represent this Association at the proposed conference.—I have, etc.,

T. MALONEY,
Secretary.

No. 4206-A.

FINANCE DEPARTMENT,
BOMBAY CASTLE, *7th January*, 1928.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*The Bombay Stock Exchange, Ltd.—Application of—for recognition by Government under the Bombay Securities Contracts Control Act*, 1925.

In continuation of my letter No. 4206-A, dated 27th October 1927, I am directed to state that the conference to discuss the subject referred to above will be held on Tuesday, the 17th instant, at 12 noon, in the Committee Room on the first floor of the Secretariat. The representative of your Association may kindly be requested to attend the conference. —I have, etc.,

G. E. SAYANI,
For *Deputy Secretary to the Government of Bombay.*

BOMBAY, *1st February*, 1928.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Bombay Stock Exchange.

I return herewith the papers sent to me along with your letter No. 40/126* of the 11th ultimo and have to say that although the meeting in question lasted from 12 noon to 2-15 p.m., no actual decision was arrived at though the general feeling seemed to be against the establishment of a second Stock Exchange.—Yours, etc.,

FREDERICK F. STILEMAN.

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† Not printed.

APPENDIX 52.

STAMPED CHEQUE FORMS.

D. A. Dis. No. 55-Stamps/27.

CENTRAL BOARD OF REVENUE,
SIMLA, 13*th May*, 1927.

THE SECRETARY,
THE BENGAL CHAMBER OF COMMERCE, CALCUTTA.

SIR,

Refunds.—Stamped Cheque Forms.—Your letter No. 1326-1927, *dated the* 6*th May*, 1927.

In reply to your letter quoted above, I am directed to forward a copy of my letter C. No. 50-Stamps/27, dated the 29th April 1927, to all Provincial Governments and Administrations on the above subject.—I have, etc.,

V. S. SUNDARAM,
Secretary, Central Board of Revenue.

Copy forwarded to all other Chambers of Commerce, for information.—By order, etc.,

RAM NATH,
For *Secretary, Central Board of Revenue.*

C. No. 50-Stamps/27.

GOVERNMENT OF INDIA,
FINANCE DEPARTMENT (CENTRAL REVENUES),
SIMLA, 29*th April*, 1927.

ALL PROVINCIAL GOVERNMENTS AND LOCAL ADMINISTRATIONS.

SIR,

Refunds.—Stamped Cheque Forms.

I am directed to invite your attention to the Finance Act of 1927 under which no stamp duty need be paid on cheques drawn on or after the 1st of July 1927. It has been represented to the Government of India that banks are likely to have a large number of stamped cheque forms on their hands at the end of June, and that the ordinary procedure of cancelling the forms and obtaining a refund of stamp duty would entail substantial loss to the banks as the printing of these forms is very expensive. Moreover, the destruction of such a large number of cheque forms, it is stated, would cause considerable inconvenience. I am directed, accordingly, to request that if $\frac{\text{the Government of (Bombay, Madras, etc.)}}{\text{* you}}$ have no objection, instructions may be issued to the effect that when stamped cheque forms are presented for cancellation under Section 54 of the Indian Stamp Act, the stamps only should be obliterated and the forms returned to the banks so as to avoid the wasting of these forms. As the forms could be used for no other purpose than as cheques, there can be no danger to the revenue from this proposal. The Government of India, who have been approached by the Imperial Bank of India on behalf of themselves and other banks in India with a view to facilitating the transition to the new arrangements, have no doubt that the Provincial Governments will do their best to meet the banks' convenience in the matter.—I have, etc.,

V. S. SUNDARAM,
Deputy Secretary to the Government of India.

( ) To Local Governments only. * To Administrations only.

No. 862/106 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd May*, 1927.

THE SECRETARY,
THE CENTRAL BOARD OF REVENUE, SIMLA.

SIR,

Refunds.—Stamped Cheque Forms.

I have the honour to acknowledge receipt of your letter No. D.A. Dis. No. 55-Stamps, dated the 13th instant, on the above subject, together with the enclosure mentioned therein. —I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 53.

ENDORSEMENTS ON DEMAND DRAFTS BY BANKS.

No. D/961-A.

GOVERNMENT OF INDIA,
FINANCE DEPARTMENT,
SIMLA, *16th May*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Endorsements on Demand Drafts by Banks.*

I am directed to address you on the subject of affording banks in India the same measure of protection, as the law in England affords to bankers in England, as regards liability in respect of endorsements which are afterwards found to be forged or without authority.

2. The Bombay Chamber of Commerce, addressing the Government of India in the matter in April 1926, pointed out that, under the English law, banks are protected in respect of forged or unauthorized endorsements, not only of bills of exchange or cheques as defined in the Bills of Exchange Act, 1882, but also of demand drafts or orders which fall within the wider definition of the Stamp Act, 1853, and which include demand drafts drawn by another branch of the same bank, and, that in British India, as the law at present stands, banks are protected against forged or unauthorized endorsements of cheques which would include demand drafts drawn upon them by *other* banks, but are not protected against forged or unauthorized endorsements of drafts upon them by their own branches. They accordingly suggested that steps should be taken to amend the Negotiable Instruments Act so as to bring

it into line with the law in force in England. The Government of India, however, considered at that time that there was no reason for amending the Indian law until it had been authoritatively interpreted in a way which denied protection and until it was clear that banks were likely to suffer to an appreciable degree therefrom.

3. The matter has recently been brought to the notice of Government by the Associated Chambers of Commerce of India and Ceylon who urge that "it is better to provide against a danger rather than to wait until it has been experienced disastrously." The following resolution which was carried unanimously at the eighth Annual General Meeting of the Associated Chambers held at Cawnpore on the 6th and 7th December 1926 has accordingly been submitted for the favourable consideration of the Government of India:—

> "That this Association recommends that the Indian law governing endorsements on demand drafts drawn by one branch of a bank upon another branch of the same bank be amended so as to afford the same protection to bankers in India as the law in England affords to bankers in England."

4. I am to request that this department may be favoured at an early date with an expression of the opinion of your Association on the question.—I have, etc.,

V. K. ARAVAMUDHA AYANGAR,
Offg. Under Secretary to the Government of India.

No. 917/112 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 31*st May*, 1927.

THE OFFG. UNDER SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCE DEPARTMENT, SIMLA.

SIR,

SUBJECT:—*Endorsements on Demand Drafts by Banks.*

I have the honour to acknowledge receipt of your letter No. D/961-A, dated 16th May 1927, on the subject of affording banks in India the same measure of protection, as the law in England affords to bankers in England, as regards liability in respect of endorsements which are afterwards found to be forged or without authority.

2. My Committee have very carefully considered the views expressed by the Bombay Chamber of Commerce in April 1926 and also the resolution passed by the Associated Chambers of Commerce in December 1926, and they are of the opinion that the attitude adopted by the Government of India in April 1926 was quite reasonable and that no case has been made out for amending the Negotiable Instruments Act on the lines suggested by the Bombay Chamber and endorsed by the Associated Chambers of Commerce. My Committee maintain that the existence of the alleged hardship should be proved by the banks themselves before any legislation is embarked upon.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 54.

UNIFORMITY OF BILLS OF LADING.

Ref. No. F/153.

THE FEDERATION OF INDIAN CHAMBERS OF COMMERCE,
BOMBAY, *30th March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am directed to forward herewith my note on the question of adoption by the Shipping Companies of a uniform Bill of Lading. The matter is to come up for consideration before the Committee of the Federation who meet on the 5th and 6th May. I shall, therefore, thank you to send to me the views of your Committee so as to reach me not later than 1st May 1927.—Yours, etc.,

J. K. MEHTA,
Secretary.

THE FEDERATION OF INDIAN CHAMBERS OF COMMERCE.

Note on the Uniformity of Bills of Lading.

The problem of uniformity of Bills of Lading has been engaging the attention of the shipowners, shippers, bankers and underwriters for well-nigh 20 years. Representatives of all these interests, specially in maritime countries, not only agreed to the principle that the Bill of Lading should be a very simple, uniform and intelligible document, but that it should also be fair and equitable to shippers and shipowners alike. The matter was discussed at several International Conferences between shipowners, shippers and bankers with a view to arrive at the universal adoption of an agreed set of rules. In 1921 the Imperial Shipping Committee issued a report recommending uniform legislation throughout the Empire on the lines of the Canadine Water Carriage of Goods Act. This recommendation was approved of at the Imperial Conference of 1921.

The outcome of all these discussions was a code of rules drawn up in 1921 by the International Law Association at The Hague, known as the "Hague Rules." These were subjected to criticism by the various interests affected and an agreement was finally reached at the International Conference on Maritime Law held in Brussels in 1922. These rules were finally amended at the next session of the International Conference on Maritime Law that was held in Brussels in 1923, and the representatives of different nations present at the conference unanimously recommended that the rules should be embodied in the legislation of all countries.

The United Kingdom, accepting the recommendations of the conference at Brussels, embodied these rules in a Bill, which was introduced in both the Houses in 1923 and which was passed into "The Carriage of Goods by Sea Act of 1924."

The Government of India, following the example of the United Kingdom, introduced in the Legislative Assembly on 4th February 1925, a Bill called "The Indian Carriage of Goods by Sea," stating in its preamble that "Whereas it is expedient that like provision should be made in British India....." This Bill was eventually passed into law known as the "Indian Carriage of Goods by Sea Act of 1925." It only remained for the Shipping Companies then to adopt these rules in their Bills of Lading, the forms of Bills of Lading previously in use being rendered out of date. The Shipping Companies in the Eastern Trade have tried to overcome this difficulty by stamping across the face of the forms a "Clause Paramount"

to the effect that it is subject to the "Indian Carriage of Goods by Sea Act of 1925." But instead of simplifying the form this has led to more complications in the nature of the document. This has engaged the attention of the British Federation of Traders' Association and a form of Bill of Lading was drafted by that Federation for the Eastern Homeward Trade which should satisfy all the requirements of the Act. This draft was also approved of by all the affiliated Traders' Associations and is based to a large extent on the form agreed upon between the Atlantic Shipping Companies and Shippers from America and modelled on one in common use in other parts of the world. Due consideration was also given by that Federation for conditions peculiar to the Indian Trades.

That Federation then made representations to the Calcutta-U. K. Conference, pointing out the disadvantages of the present form and emphasizing the desirability of adopting a simple and uniform Bill of Lading. The Conference replied, that whilst appreciating the desirability of a uniform Bill of Lading, they regretted they could not see their way to adopt the draft Bill of Lading as the clauses in the present Bill of Lading had been inserted as a result of long experience and where they conflicted with the Indian Carriage of Goods by Sea Act, they were rendered of no effect by the "Clause Paramount" stamped on the face.

It seems from the above that efforts have been made by the British Federation of Traders' Association to prevail upon the shipping lines in the Eastern Trade to accept a uniform, simple and intelligible Bill of Lading, which the shipping companies refuse to do.

In October last the London Chamber of Commerce wrote in this respect to Sir Purshotamdas Thakurdas, Kt., forwarding a copy of their circular letter addressed to all Chambers in India and Ceylon (a copy of which is forwarded herewith). Sir Purshotamdas Thakurdas has sent that letter on to the Federation with a suggestion that it should be taken up by the Federation.

If the members of the Executive Committee agree that the Federation should take up this subject, it will, after consulting the views of the various Chambers and commercial Associations, present a suitable representation to the proper authorities.

Copy of letter sent to Chambers of Commerce in India and Ceylon by the London Chamber of Commerce (Inc.), 97, Cannon Street, London, England, dated 13th October, 1926.

DEAR SIR,

At the last meeting of the East India Section of this Chamber, attention was drawn to the fact that although the Indian Carriage of Goods by Sea Act was passed last year, some shipping companies, particularly those trading from India, continue to use the form of Bill of Lading which was in use prior to the passing of the Act, with a "Clause Paramount" stamped across the bill to the effect that it is subject to the Indian Carriage of Goods by Sea Act.

In the opinion of the East India Section of this Chamber, this practice is very unsatisfactory and tends to add complications to a document which is already open to considerable criticism on that account. It would, in their opinion, be better for all concerned if one uniform and simple Bill of Lading, free from all ambiguities and the possibility of misconstruction, could be substituted.

With this object in view, the British Federation of Traders' Associations (of which the Chairman of this Section, Sir Stephen Demetriadi, K.B.E., is also the President,) have drawn up the enclosed Bill of Lading.* In the opinion of the Section, it answers all the requirements of the Indian Trade and is fair both to the shipper and the shipowners. It is, in fact, based very largely on one agreed between Atlantic Shipping Companies and Shippers, so that, although it allows for conditions peculiar to the Indian Trades, it is, in substance, familiar to shippers and shipowners in many parts of the world. Moreover, Article I makes it abundantly clear that the bill is subject to the rules contained in the Indian Carriage of

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* Not printed

Goods by Sea Act, without repeating them or attempting to interpret them. The remaining clauses deal with relevant matter outside the scope of the Acts, with the object of rendering the Bill of Lading a simple document and one easily understood by all interests concerned, whether shippers, shipowners, bankers, underwriters or consignees.

The Section understands that the British Federation of Traders' Associations have been in correspondence with the Calcutta-U. K. Conference with a view to securing the adoption of the Bill, but without success up to the present. While admitting the desirability of a uniform Bill of Lading, the line taken by the Conference is that the exigencies of the trade are many and varied, that the clauses had been inserted in the Bills of Lading after long experience, and that in any case, where they conflicted with the Indian Carriage of Goods by Sea Act, they were rendered of no account by the " Clause Paramount " appearing on the face of the bill.

The East India Section of this Chamber endorses the view of the British Federation of Traders' Associations that this reply is most unsatisfactory, especially having regard to the fact that at present each shipping company uses only one form of Bill of Lading for all Trades. The Section shares the regret that the Conference have not offered any alternative constructive proposals for a uniform Bill of Lading, and thus give full effect to the recommendations of the Imperial Shipping Committee.

In these circumstances, I was instructed to write to your Chamber on the matter and to say that it would be of great help if your Chamber would be so good as to bring this important question to the notice of the Association of Chambers of Commerce of India and Ceylon at their annual meeting (which I understand is to be held at Cawnpore in December) and use its influence with a view to securing a simple, equitable and uniform Bill of Lading. —Yours, etc., (Sd.) A. DE V. LEIGH, *Secretary*.

No. 812/87 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 13*th May*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
REVENUE DEPARTMENT, BOMBAY.

SIR,

I have the honour to invite reference to the Association's letter No. 685/98, dated 23rd May 1925, on the subject of the Bill to amend the law with respect to the carriage of goods by sea which was eventually passed by the Legislative Assembly in September 1925.

2. It was truly said in the Statement of Objects and Reasons attached to the Bill referred to above, that there had been a demand for many years among the different commercial interests which handled Bills of Lading for uniformity among all maritime countries in the definition of the liabilities and risks attaching to the carriers of goods by sea.

3. It is not here necessary to trace in detail the history of the attempts made during the last 20 years to secure uniformity of Bills of Lading. These attempts eventually resulted in the Agreement reached at the International Conferences on Maritime Law held in Brussels in 1922 and 1923, when a code of rules defining the responsibilities and liabilities to which a carrier of goods by sea should be subject, and also the rights and immunities he was entitled to enjoy was drawn up, and it was unanimously recommended that every country should give legal sanction to these rules. In pursuance of this Agreement the United Kingdom enacted the Carriage of Goods by Sea Act (14 and 15 Geo. 1925) and the Government of India followed suit by placing on the statute-book the Act referred to in the first para of this letter.

4. There cannot be two opinions regarding the great advantages and utility of this Act, but my Committee regret to state that most of the great shipping companies operating in this country still continue to use the form of Bill of Lading which was in use before the passing of the Act with "Clause Paramount" stamped across the bill to the effect that it was subject to the Indian Carriage of Goods by Sea Act. In my Committee's opinion, this practice is most undesirable inasmuch as it is implied that shippers should find out for themselves which of the clauses printed on the Bill of Lading are contrary to the provisions of the Act, and therefore void. The clauses on the Bill of Lading as used by the shipping companies prior to the passing of the Act, were very complicated and ambiguous, and the mere stamping of the "Clause Paramount" makes the document more complicated and unintelligible, leading to a good deal of misunderstanding between shipping companies and shippers and unnecessary hardship on the latter. It is, therefore, my Committee's considered opinion that Government should take effective steps without delay to enforce a simple and uniform Bill of Lading in conformity with the intentions and provisions of the Act.

5. In Bombay, certain big shippers utilize their own form of Homeward Eastern Trade Bill of Lading and the system is found to work smoothly. These Homeward Trade Bills of Lading, in my Committee's opinion, might be used as a basis for a simplified Bill of Lading for use in special conditions existing in the Eastern Trade. My Committee trust the Government of Bombay will recognize the importance of this matter and be pleased to impress on the Government of India the advisability of taking the steps necessary to enforce the use of a simple and uniform Bill of Lading by all shipping companies.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 55.

PROPOSED AMENDMENT OF THE INDIAN EVIDENCE ACT.

No. 1168/2.

HOME DEPARTMENT,
BOMBAY CASTLE, *20th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Law of Evidence. Commercial Documents accepted as prima facie correct in Mercantile circles; Amendment of the—so as to dispense with proof of—. (Indian Evidence Act.)*

I am directed by the Governor in Council to forward herewith a copy of a Government Resolution in this Department No. 1168/2, dated this day, regarding the proposed amendment of the Law of Evidence in regard to certain commercial documents and to request that you will be so good as to favour Government with the opinion of the Millowners' Association in the matter.—I have, etc.,

(Sd.) (Illegible),
For *Secretary to the Government of Bombay,*
Home Department.

GOVERNMENT OF BOMBAY.

HOME DEPARTMENT.

Resolution No. 1168/2.

BOMBAY CASTLE, *20th July*, 1927.

Law of Evidence.—Commercial Documents accepted as prima facie correct in Mercantile circles; Amendment of the—so as to dispense with proof of—. (*Indian Evidence Act.*)

Letter from the Government of India in the Home Department, No. F.—136/27-Judicial, dated the 11th June 1927:—

> "With reference to your letter No. 1168/2-B., dated the 17th December 1926, I am directed to forward, for the information of the Governor in Council, a copy of a letter No. F.—136/27, dated the 6th June 1927, addressed to the other local Governments, on the above subject. I am to request that the Government of India may be furnished with any further remarks which the Governor in Council may wish to make after consulting the High Court, Judicial Commissioner's Court and such commercial and other bodies as he may think fit to consult."

RESOLUTION.—Copies of the foregoing letter from the Government of India and of its accompaniments should be forwarded to the Millowners' Association, Bombay, etc., and they should be requested to favour Government as early as possible with their opinion in the matter.—By order, etc.,

J. MONTEATH,
Secretary to the Government of Bombay,
Home Department.

ACCOMPANIMENTS TO GOVERNMENT RESOLUTION, HOME DEPARTMENT, NO. 1168/2. DATED 20TH JULY, 1927.

Copy of Government of India's letter No. F.—136/27-Judicial, dated Simla, 6th June, 1927, to Local Governments.

SIR,

I am directed to forward, for the information of the Governor in Council, a copy of a letter from the Government of Bombay, No. 1168/2-B., dated the 17th December 1926, and of the accompanying letter from the Bombay High Court, in which it is proposed that the law of evidence may be amended so that such commercial documents as are accepted as *prima facie* correct in commercial circles may be admitted in evidence without formal proof.

2. The Bombay High Court suggest two alternative methods of carrying out the object in view. Their first suggestion is that a new clause may be inserted in sub-clause (2) of Section 128 of the Code of Civil Procedure on the lines of Section 6 of the Administration of Justice Act, 1920 (10 and 11 Geo. Cap. 81), but they put forward certain objections to the adoption of this course in paragraph 7 of their letter. The Government of India are inclined to agree with the Court that such an important matter affecting the relaxation of varying of the law of evidence should not be left to the courts. The second suggestion is to achieve the object in view by an amendment of the substantive provision of the Evidence Act. There are, however, advantages in giving effect to the proposals of limited application otherwise than by amendment of a law of general application. It has accordingly been suggested that amendment of the Evidence Act should not be undertaken but that separate legislation on the analogy of the Bankers' Books Evidence Act, 1891 (XVIII of 1891), would be appropriate. Such an Act would contain a definition of "commercial documents" and would provide that notwithstanding anything in the Indian Evidence Act—(*i*) the Court shall in all legal proceedings presume that a document purporting to be a commercial document, and any seal, stamp or signature thereon, is genuine, and that the person (if any) signing it held, at the time he signed it, the character which he claims, and (*ii*) a statement in a commercial document about a fact in issue or relevant fact shall be accepted in all legal proceedings as proof of such fact until the contrary is shown.

The question has further been raised whether the proposed measure should extend to all courts or only to the High Courts in exercise of their Original Jurisdiction and such other Courts as the Governor-General in Council or the local Government may prescribe. It has been suggested that the Act should in the first instance at any rate be confined to courts which have special experience in commercial suits and commercial documents. As regards the definition of " commercial documents " it may prove necessary to leave the content of the term to be settled by notification, *i.e.*, to define commercial documents as documents declared to be commercial documents by notification of the Governor-General in Council for the time being in force.

3. Before coming to a decision the Government of India will be glad to be furnished with the views of the Governor in Council together with those of (Honourable Judges of the High Court, Madras, the Honourable Judges of the High Court, Allahabad and the Chief Court, Lucknow, etc., etc.,) and such commercial and other bodies as the local Government may think fit to consult, on the desirability of undertaking legislation as proposed. I am also to ask for an expression of opinion whether, in the event of such legislation being undertaken, it should be confined to commercial suits or should also embrace other suits, what form it should take, and what should be the content of the term "commercial documents."—I have, etc.,

J. M. DUNNETT,
Joint Secretary to the Government of India.

Copy of letter No. 1168/2 *B. dated Bombay,* 17*th December,* 1926, *from the Government of Bombay to the Government of India.*

SIR,

I am directed by the Governor in Council to forward herewith for the information of the Government of India a copy of a letter from the Prothonotary and Registrar, Original Jurisdiction, High Court, Bombay, No. 975, dated the 27th November 1926 and its accompaniment regarding a proposal to amend the Law of Evidence in regard to certain commercial documents and to state that the Governor in Council approves of the recommendation made by the Bombay High Court.—I have, etc.,

J. MONTEATH,
Secretary to the Government of Bombay,
Home Department.

No. 975 of 1926.

Copy of letter No. 975 *dated Bombay,* 27*th November,* 1926, *from the Acting Prothonotary and Registrar, Original Jurisdiction, His Majesty's High Court, Bombay, to the Secretary to the Government of Bombay, Home Department.*

SIR,

I am directed by the Honourable the Chief Justice and Judges to state that the question of improving the procedure relating to "Commercial Causes," so as to ensure a better and speedier disposal, has been under their consideration, and the Rules about them have been revised with that object.

2. There is, however, one obstacle that cannot be removed except by legislation. This relates to the difficulties placed by the existing law in the way of documents which by the practice of merchants are accepted as evidence and taken as *prima facie* correct, but which in a Court of Law cannot (in the absence of consent by the parties) be admitted in evidence without testimony as to their genuineness or the correctness of the statements made therein. As illustrations of such documents may be mentioned publications like Lloyd's Weekly Shipping Index, Certificates of the Manchester Ship Canal as to dates of receipt of goods, and

( ) Not to Bengal, Assam and Delhi.

Certificates of a Chamber of Commerce as to delays in manufacture owing to strikes. Such documents are not admissible in evidence under Section 32, or any other provision of the Evidence Act, without further proof. The result is that a party desirous of delaying the proceedings can often insist on the other side getting Commissions issued to take evidence as to facts which are for all practical purposes sufficiently established by the documents in question. The expense and delay entailed by such Commissions is very great, particularly when issued to foreign countries. As instances of cases of this kind, I am to refer to I.L.R. 22 Bom. 189—(*see* at p. 198), and 28 Bom. L. R. 232. A copy of the last named report is attached.*

3. I am also directed to draw attention to the following remarks by Macleod, C.J., in 17 Bom. L. R. 249 at p. 257:—

> " Mr. Inverarity produced certain copies of Lloyd's Weekly Index which showed that, according to the information received at Lloyds from their agents, the "Nicomedia" left Dunkirk on the 30th July, arrived at Hamburg on or about the 31st July and was still there in November. He admitted that the information contained in the Weekly Index was not evidence but it seems unfortunate that in a Court dealing with commercial cases it should not be permissible to rely on such a publication which is treated by business men as affording reliable information regarding the movements of ships on Lloyd's Register and that it should be necessary in order to prove where a ship was on a particular date to produce evidence of witnesses who had actually seen the ship. A special list for commercial causes was instituted so as to induce the confidence of the commercial world and that their disputes would be adjudicated upon expeditiously and in accordance with the Law Merchant. The Law of Evidence had always been the despair of the business man and apart from the fact that a commercial cause is set down for hearing as soon as possible after the issue of the summons and takes precedence of other causes, there is little to be gained if a party is exposed to the ordinary delays of the law.
>
> It is certainly desirable that a Judge trying a commercial cause should have a power to dispense with the technical rules of evidence for the avoidance of expense and delay which might arise from Commissions to take evidence or otherwise."

4. In England this difficulty has been largely surmounted by legislation. I am to draw attention to the provisions of Section 3 of the Supreme Court of Judicature (Procedure) Act, 1894 (54 and 55 Vict. C. 53), which is now superseded by Section 5 of the Administration of Justice Act, 1920 (10 and 11 Geo. 5, Cap. 81). The latter runs as follows:—" The power to make rules conferred by the Judicature Acts, 1873 to 1910, shall include power to make rules for regulating the means by which particular facts may be proved, and the mode in which evidence thereof may be given, in any proceedings or on any application in connection with or at any stage of any proceedings." On the basis of these provisions, Rule 7 of Order 30 of the Rules of the Supreme Court provides:—" On the hearing of the summons (*i.e.*, the summons for directions), the Court or a Judge may order that evidence of any particular fact, to be specified in the Order, shall be given by statement on oath of information and belief, or by production of documents or entries in books, or by copies of documents or entries or otherwise as the Court or Judge may direct." This power " to dispense with the technical rules of evidence for the avoidance of expense and delay which might arise from commissions to take evidence and otherwise " (as it is put in the memorandum that was issued by the Judges of the Queen's Bench Division in the early part of 1895) is constantly used, in order to expedite the trial of Commercial Causes in England, though no doubt, as rules in *Baerlein* v. *Chartered Mercantile Bank* (1895), 2 Ch. 488, the Judge of the Commercial Court has no greater power in this respect than any other Judge of the Supreme Court. Thus in the introduction to " Commercial Cases," Vol. I, pp. V—VII, it is stated "It was clear that, if the legal advisers of the parties were willing to assist the Court, Commercial disputes might be settled as promptly by a Judge as by an arbitrator. But to attain this end it was necessary that the Judge should be made acquainted at the earliest possible stage of the proceedings with the nature of the plaintiff's and the defendant's case..... As the result of this preliminary discussion before the Judge, many cases have been put in train for settlement. When it has been found that the case must be tried, a note has been made by the Judge of the question which the parties have expressed their intention of raising, and a copy of this note has

* Not printed.

been furnished to each side, or a direction has been given that notice of the grounds of claim and defence should be exchanged.....A day is then fixed for the trial of the case, to the great convenience of solicitors, who can arrange for the attendance of their witnesses, no encouragement being given to technical or other obstruction. The practice of granting commissions for the examination of witnesses abroad, often resorted to formerly in commercial cases, and generally found to be of little practical value, has been very rarely followed, and mutual admissions, the exercise of the powers conferred by Order 30, Rule 7, or the consent of the parties to permit the Judge to act upon the materials submitted to mercantile arbitrators have diminished the necessity for recourse to a method of obtaining information which is always dilatory and not unfrequently wasteful. Commercial cases have been tried upon the evidence prescribed by the orders made in Chambers without difficulty or delay, and with a great diminution of the cost incidental to actions in which the ordinary modes of litigation are followed. The grasp which the Judge obtains of the case in Chambers, and the power which he consequently acquires to prevent the taking of steps which will not assist the Court at the trial, have been found to be of extreme value in securing expedition." The above quotations are taken from an article entitled "Commercial Court" at pages 119—122 of Vol. 3 of the Encyclopædia of the Laws of England.

5. This particular question does not appear to have attracted the attention of the Civil Justice Committee; but in paragraphs 10 and 13 of Chapter 12 of their report relating to Commercial Litigation at pages 203, 204, reference is made to the way in which a defendant often insists on the production of unnecessary evidence and puts the plaintiff to proof of matters, which would be admitted as a matter of course in England. Again, Sir Tej Bahadur Sapru in his Note which is prefixed to the report at p. XV, says:—

> "The method of proving private and public documents laid down by the Indian Evidence Act, requires, to my mind, careful revision. I have come across cases in which a party producing documents which are obviously perfectly genuine, meets with the greatest difficulty in getting them admitted in evidence because the other party lightheartedly or vexatiously puts the former to proof. In the mofussil nothing is more common than pleaders of one party denying the genuineness of the documents produced by the other party."

Again, in paragraph 20 at p. 252 and paragraph 16 at p. 268 of the report, the Committee recommend the extension of the English System of a Summons for Directions to other Long Causes, as well as Commercial Causes. As already mentioned, the power to dispense with technical rules of evidence in order to avoid the issue of unnecessary Commissions is a most important part of the System; and it seems desirable, therefore, that this power should, as in England, be possessed by all Judges of a High Court, and not merely by the Judge in charge of the Commercial Cause List.

6. I am to say that, in these circumstances, their Lordships consider that there is a good case made out for legislation in India on lines similar to that contained in Section 6 of the Administration of Justice Act, 1920 (10 and 11 Geo. 3, Cap. 81). This could be effected by the insertion of a new clause in sub-section (2) of Section 128 of the Civil Procedure Code such as:—"the regulation of the means by which particular facts may be proved, and the mode in which evidence thereof may be given, in any proceedings or on any application in connection with or at any stage of any proceedings."

7. On the other hand their Lordships recognize that objections may well be raised to such an important matter as a variance of the Law of Evidence being left to rules or the discretion of a Judge, and that there are substantial reasons for saying that, if there is good ground for altering any of the provisions of the Indian Evidence Act, 1872, this should be done by an amendment of that Act governing all Courts in British India. They are inclined to think that this would be a better way of proceeding in the matter; and that there are as cogent reasons for altering the law on the subject for Mofussil Courts and the Small Causes Courts in Presidency towns, as there are for altering it in the case of Commercial and other Causes tried in the High Court. I am to say, therefore, that they are of opinion that Government should consider whether the time has not now come for an amendment of the Evidence Act, which will facilitate the prompt disposal of commercial litigation and tend towards the removal of at any rate one of the recognized obstacles to the commercial and industrial development of India, *viz.*, the delays in the disposal of civil suits.

8. I am to suggest, therefore, that provisions should be inserted in the Evidence Acts—

(1) on the lines of Section 35, so as to make commercial documents of the kind referred to admissible in evidence *per se*, and
(2) on the lines of Section 82, as to presuming the seals, stamps, signatures, etc., on such documents to be genuine.

In regard to the second suggestion, I may also refer to the provisions of the Documentary Evidence Act, 1845 (8 and 9 Vict. C. 113).

9. I am to explain that their Lordships do not mean to suggest that such documents should constitute anything more than *prima facie* evidence of the statements contained therein. It will be entirely for the Court to say in any particular case what weight should be given to such a document; and it will be open to any party affected to contest the truth of its contents. What they desire is merely to shift the onus in regard to the contents of such documents. Thus, if a plaintiff has a certificate of the kind mentioned in his favour, it will no longer be open to the defendant to insist on his taking out a commission to prove any statement in it, but the defendant, if he wishes to contest any such statement, must take the initiative in adducing evidence on commission or otherwise about it.

10. As to the definition of the documents to be covered by the proposed legislation, their Lordships think it sufficient to indicate their general nature for the purposes of this letter. The various Chambers of Commerce or Merchants' Associations in India are in a better position to give advice on this subject. So long as the documents are such as are ordinarily accepted as *prima facie* correct in mercantile practice, the Court should, in the opinion of their Lordships, be entitled to give them equal recognition.

11. In conclusion I am to ask that, if Government see no objection, the Government of India may be moved accordingly in this matter of the legislation suggested in this letter. —I have, etc.,

R. B. PATEL,
Acting Prothonotary and Registrar,
Original Jurisdiction.

No. 1657/158 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 15*th September*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE HOME DEPARTMENT, BOMBAY.

SIR,

SUBJECT:—*Law of Evidence—Commercial Documents accepted as prima facie correct in Mercantile circles; Amendment of the—so as to dispense with proof of.—(Indian Evidence Act.)*

I have the honour to acknowledge the receipt of your letter No. 1168/2, dated the 20th July, together with the enclosures referred to therein.

2. My Committee agree with the Bombay High Court as to the necessity of legislation to ensure that commercial documents which are accepted as *prima facie* correct in commercial circles should be admitted in evidence without formal proof.

3. There can be no doubt that the law as it stands at present makes it possible for defendants to take up an obstructive attitude and cause needless delay and my Committee hope Government will adopt the necessary measures at an early date to put a stop to the existing state of things.

4. My Committee, while cordially supporting the principle advocated by the Bombay High Court, do not wish to examine the relative merits of the different suggestions put forward by the Bombay High Court and the Government of India to bring about the desired object.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 56.

AMENDMENT OF THE INDIAN LIMITATION ACT.

No. 2654/2.-B.

HOME DEPARTMENT,
BOMBAY CASTLE, *20th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Indian Limitation Act.—Amendment of—.*

I am directed by the Governor in Council to forward herewith a copy of Government Resolution in this Department No. 2654/2, dated this day, and to request that you will be so good as to move the Millowners' Association, Bombay, to favour Government with an expression of its opinion on the provisions of the Bill to amend the Indian Limitation Act, —I have, etc.,

(Sd.) (Illegible),
Secretary to the Government of Bombay,
Home Department.

GOVERNMENT OF BOMBAY.

HOME DEPARTMENT.

Resolution No. 2654/2.

BOMBAY CASTLE, *20th October*, 1927.

Bill.—Indian Limitation Act; amendment of—

Letter from the Government of India, Legislative Department, No. F.—136-I/27 A.C., dated the 24th September 1927 :—

"With reference to the Debates of the Council of State, dated the 19th September 1927, I am directed to forward herewith 100 copies of the papers noted below* and to request that the Governor in Council will favour the Government of India in this Department with an expression of his opinion on the provisions of the Bill and with the opinions of the Honourable the Judges of the High Court and of such selected officers and other persons as the Governor in Council may think fit to consult on the subject.

"2. I am also to request that the Bill and Statement may be published in the *Bombay Government Gazette* in English and in such other languages as the Governor in Council may deem proper and that the dates of such publication may be communicated in your reply.

"3. The reply to this letter should be sent by the 23rd December 1927."

RESOLUTION.—Copies of the foregoing letter from the Government of India and of its accompaniments should be forwarded to the Millowners' Association, Bombay, etc., and they should be requested to favour Government with their opinions on the provisions of the Bill.

* * * * *

7. The opinions called for in the foregoing paragraphs should reach Government not later than the 23rd November 1927.—By order, etc.,

J. MONTEATH,
Secretary to the Government of Bombay,
Home Department.

* (1) A Bill to amend the Indian Limitation Act, 1908, with Statement of Objects and Reasons. (2) Report of the Select Committee with Bill as amended by the Select Committee. (3) Extracts from the Debates of the Council of State dated 30th August, 2nd and 19th September 1927.

(To be introduced in the Council of State.)

A Bill further to amend the Indian Limitation Act, 1908.

Whereas it is expedient further to amend the Indian Limitation Act, 1908, for the purposes hereinafter appearing; It is hereby enacted as follows:—

Short title and commencement.

1. (1) This Act may be called the Indian Limitation (Amendment) Act, 192 .

(2) It shall come into force on the 1st day of January, 1929.

Amendment of Section 10, Act IX of 1908.

2. In Section 10 of the Indian Limitation Act, 1908 (hereinafter referred to as the said Act), the following paragraph shall be inserted, namely:—

"For the purposes of this section any property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment shall be deemed to be property vested in trust for a specific purpose, and the manager of any such property shall be deemed to be the trustee thereof."

Amendment of First Schedule to Act IX of 1908.

3. In the First Division of the First Schedule to the said Act,—

(*a*) After article 48, the following article shall be inserted, namely:—

"48-A. To recover moveable property conveyed or bequeathed in trust, deposited or pawned, and afterwards bought from the trustee, depositary or pawnee for a valuable consideration. *Explanation*—For the purposes of this article any property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment is deemed to be property conveyed in trust, and the manager of any such property is deemed to be the trustee thereof."	Three years.	When the sale becomes known to the plaintiff.

(*b*) Article 133 shall be omitted; and

(*c*) in Article 134—

(*i*) after the entry in the first column, the following *Explanation* shall be inserted, namely:—

"*Explanation.*—For the purposes of this article any property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment is deemed to be property conveyed in trust, and the manager of any such property is deemed to be the trustee thereof";

(*ii*) for the entry in the third column the entry "When the transfer becomes known to the plaintiff" shall be substituted.

STATEMENT OF OBJECTS AND REASONS.

In paragraph 16 of Chapter 41 of their report the Civil Justice Committee recommend—

(1) that Articles 133 and 134 of the First Schedule to the Indian Limitation Act, 1908, should be revised with reference to recent decisions; and

(2) that in particular the alienation of property vested in the head of a religious institution should be specifically provided for.

2. It is understood that the first recommendation relates to the difficulties which have arisen with regard to the interpretation of Articles 133 and 134 mainly as a result of the Full Bench ruling of the Madras High Court in Seeti Kutti *versus* Kunhi Pattuma (I.L.R., 40, Madras, 1040). In this case two of the Judges held that the words in column 3 must be given their literal meaning and that time must run from the date of transfer from the trustee or the original mortgagee and the date when possession was taken was immaterial; one Judge held that the article only applies when the transferee from the trustee or the original mortgagee took possession on the date of transfer; and the remaining two Judges held that time under the article only runs from the date when possession is obtained. The result was that the view of the first two Judges that the article operated to bar the particular suit by limitation failed. This case was considered by Richardson, J. in Naraindas *versus* Abdur Rahim (I.L.R., 47, Calcutta, 866). Richardson, J., held that limitation under the article begins to run from the date on which the property or the title was transferred by the trustee or the original mortgagee to the transferee. The other Judge, however, who decided that case, Shams-ul-Huda, J., did not come to any final conclusion as to the effect of the article. In a later case reported in I.L.R., 50, Calcutta, page 62, Mookerjee, J., said that the article referred to a case where the transfer by the trustee was accompanied by delivery of possession to the transferee, but it is not definitely clear that he intended to suggest that under the article possession must be taken on the date of transfer, and accordingly it is not certain which of the views held in the Madras Full Bench in the decision referred to above was favoured by him. These cases refer to Article 134, and no cases dealing with Article 133 have been traced, but the same general principle would presumably apply to both articles.

3. The Committee's second recommendation refers, it is understood, to the decisions of the Privy Council in Vidyavaruthi *versus* Balusami (I.L.R., 44, Madras, 831) and Abdur Rahim *versus* Narain Das (I.L.R., 50, Calcutta, 329). As a result of these two rulings it is now settled law that a *Dharmakarta, Mahant* or manager of a Hindu endowed religious property, or the *Mutwalli or Sajjadanashin* in whom the management of Muhammadan endowments is vested are not trustees within the meaning of the word as used in Section 10 of the Indian Limitation Act, for the reason that the property does not vest in them. The result is that when a suit is brought against a person, not being an assign for valuable consideration, endowments of this nature are not protected.

4. The Committee's two recommendations are therefore:—

(1) that it should be made clear whether Articles 133 and 134 mean what they say, *viz.*, that limitation runs from the date of purchase or of transfer, as the case may be, and that the date of obtaining possession is immaterial;

(2) that Section 10 of the Act should be amended so as to put Hindu and Muhammadan religious endowments on the same footing as other trust funds which definitely vest in a trustee.

After consulting the Local Governments the Government of India have come to the following conclusions:—

(1) that in the case of both the articles the period of limitation should run from the date when the sale or transfer, respectively, becomes known to the plaintiff;

(2) that the period in the case of Article 133 should be reduced from twelve to three years;

(3) that Hindu, Muhammadan and Buddhist religious as well as charitable endowments should be included within the scope of both these articles as also of Section 10 of the Act.

The Bill gives effect to these conclusions.

S. R. DAS.

The 26th July, 1927.

GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

We, the undersigned, members of the Select Committee to which the Bill further to amend the Indian Limitation Act, 1908, was referred, have considered the Bill and have now the honour to submit this our report, with the Bill as amended by us annexed thereto.

2. The objects of the Bill, as given in the Statement of Objects and Reasons, are the following :—

(1) to make the period of limitation under Articles 133 and 134 run from the date when the sale or transfer becomes known to the plaintiff;

(2) to reduce the period of limitation under Article 133 from twelve years to three years;

(3) (*a*) to bring Hindu, Muhammadan and Buddhist religious and charitable endowments within the scope of Section 10 of the Indian Limitation Act, and

(*b*) to bring these endowments within the scope of Articles 133 and 134.

As regards (1), we consider on the whole that the date when the plaintiff obtains knowledge of the transfer he seeks to attack is the most suitable date from which limitation should run. If limitation runs from the date of the transfer itself, it is a simple matter for a dishonest trustee and a colluding transferee to conceal the fact of the transfer until the period of limitation has expired. The position is not much improved if the period is made to run from the delivery of possession, for even the fact of possession of the nature to give rise to a cause of action can also be concealed; for instance, land may be given out originally on lease from year to year in the ordinary course of management, and then collusively sold, without any one interested knowing that the vendee's possession is other than that of a lessee from year to year. We, therefore, recommend that the period should run from the date when the transfer becomes known to the plaintiff.

3. If this point is ceded, then there is no reason to maintain such a long period as twelve years in the case of the sale of moveable property under Article 133. We consider that in these cases a period of three years is quite sufficient and that the second object of the Bill should be carried into effect.

4. As regards the first part of the third object, we are entirely in agreement with Clause 2 of the Bill, which brings religious and charitable endowments within the scope of Section 10 of the Limitation Act.

5. As regards the second portion of the third object, we consider that the general intention of the Bill is sound, and that a definite provision should be made in the Schedule to the Limitation Act for suits relating to the recovery of endowment property which has been transferred for a valuable consideration. However, the Bill, in our opinion, does not clearly provide for the different cases which arise, which fall into two classes :—

(1) Suits by persons interested in the endowment (who would be called beneficiaries if the endowment were a trust), to set aside alienations of the endowment property made by the manager.

In these cases the plaintiff is not entitled to possession and cannot, therefore, claim to recover the property; but he may sue to have the transfer set aside and for any consequential relief which may be adapted to the circumstances of the case. For this class of case, we propose a new Article 48B for moveable property, and 134A for immoveable property.

(2) Suits by the manager himself, attacking alienations made by a predecessor.

Here the plaintiff is himself entitled to possession of the property and the correct frame of the suit is one to recover possession. In connection with these suits, Their Lordships of the Privy Council have held in Vidya Varuthi Thirtha *vs.* Balusami Ayyar and others (I. L. R. 44 Mad. 831) that limitation is governed by Article 144, on the view that when each manager succeeds to the management of the endowment, the possession of the alienee becomes adverse to him and limitation runs from the date of his succession. We consider this rule to be suitable to the circumstances of these endowments. At present it is derived from an application of Article 144, which is a general rule, to the special case of the alienation of endowment property ; and Their Lordships themselves in Lal Chand Marwari *vs.* Ram Rup Gir [L. R. 53, I. A. (24) (35)] have doubted the legality of the application. We, therefore, propose to put the matter beyond doubt by embodying the rule in special articles in the Schedule to the Limitation Act. These articles will be in accordance with the principle underlying new Articles 48B and 134A, for it may be presumed that when a new manager takes over charge he will at once acquaint himself with the affairs of the endowment and obtain knowledge of any improper alienation. For this class of suits, therefore, we propose Articles 48C and 134B, relating to moveables and immoveables, respectively.

6. As a result of the insertion of these articles relating specially to religious and charitable endowments, Article 134 will remain applicable to trust property or mortgaged property only, and will be amended only in the third column ; and Article 133 will be similarly amended and transposed to a place at 48A in order to curtail the period of limitation.

7. The Bill was published in the *Gazette of India* of the 3rd September, 1927.

8. Articles 48C and 134B as proposed by us introduce in a clear form a very important rule of limitation which at present is under judicial doubt. In our judgment their introduction has altered the Bill substantially, and we consider it desirable that it should be circulated widely for opinion before steps upon it are taken in the Legislature.

S. R. DAS.
H. G. HAIG.
SANKARAN NAIR.
G. S. KHAPARDE.
V. RAMADAS PANTULU.
KUMAR SANKAR RAY CHAUDHURY.

SIMLA, 13*th September*, 1927.

[As amended by the Select Committee.]

[*Words printed in italics indicate the amendments suggested by the Committee.*]

A BILL

Further to amend the Indian Limitation Act, 1908.

Whereas it is expedient further to amend the Indian Limitation Act, 1908, for the purposes hereinafter appearing ; It is hereby enacted as follows :—

Short title and commencement.

1. (1) This Act may be called the Indian Limitation (Amendment) Act, 192 .

(2) It shall come into force on the 1st day of January, 1929.

IX of 1908.

Amendment of Section 10, Act IX of 1908.

2. In Section 10 of the Indian Limitation Act, 1908 (hereinafter referred to as the said Act), the following paragraph shall be inserted, namely :—

"For the purposes of this section any property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment shall be deemed to be property vested in trust for a specific purpose, and the manager of any such property shall be deemed to be the trustee thereof."

Amendment of First Schedule to Act IX of 1908.

3. In the First Division of the First Schedule to the said Act,—

(*a*) after Article 48, the following Article shall be inserted, namely:—

"48A. To recover moveable property conveyed or bequeathed in trust, deposited or pawned, and afterwards bought from the trustee, depositary or pawnee for a valuable consideration.	Three years.	When the sale becomes known to the plaintiff.
48B. To set aside sale of moveable property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment, made by a manager thereof for a valuable consideration.	*Three years.*	*When the sale becomes known to the plaintiff.*
48C. By a manager of a Hindu, Muhammadan or Buddhist religious or charitable endowment to recover possession of moveable property comprised in the endowment which has been sold by a previous manager for a valuable consideration.	*Three years.*	*The succession of the plaintiff as manager."*

(*b*) *Article* 133 *shall be omitted;*

(*c*) *in Article* 134, *in the third column, for the words "The date of the transfer" the words "When the transfer becomes known to the plaintiff" shall be substituted; and*

(*d*) *after Article* 134, *the following Articles shall be inserted, namely:—*

"134A. To set aside a transfer of immoveable property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment, made by a manager thereof for a valuable consideration.	*Twelve years.*	*When the transfer becomes known to the plaintiff.*
134B. By the manager of a Hindu, Muhammadan or Buddhist religious or charitable endowment to recover possession of immoveable property comprised in the endowment which has been transferred by a previous manager for a valuable consideration.	*Twelve years.*	*The succession of the plaintiff as manager."*

Extract from the Council of State Debates, Vol. II, No. 25.

The Council met in the Council Chamber, Simla, on Tuesday, the 30th August 1927.

* * * * * * * *

INDIAN LIMITATION (AMENDMENT) BILL.

THE HONOURABLE MR. S. R. DAS (Law Member): Sir, I move for leave to introduce a Bill further to amend the Indian Limitation Act, 1908.

This Bill is introduced in pursuance of certain recommendations of the Civil Justice Committee and it deals with Section 10 and Articles 133 and 134 of the Limitation Act. Section 10, as honourable members are probably aware provides, that no suit for certain purposes against a trustee of a specific trust is barred by limitation by any length of time. The Privy Council have decided that this section does not apply to managers of Hindu or Muhammadan endowments and the object of the Bill is to make the section applicable to such endowments. As to the two Articles, 133 and 134, there has been a conflict of decision as to when the period of limitation begins under Section 134 and the Bill proposes to set that conflict at rest. The Bill also proposes to reduce the period of limitation under Article 133 to three years; (it is 12 years now)—the reason for that being that it deals with moveable properties and not immoveable properties. The Bill also is intended to make it clear that these two Articles 133, and 134, apply to Hindu and Muhammadan endowments.

Sir, I move.

The motion was adopted.

THE HONOURABLE MR. S. R. DAS: Sir, I introduce the Bill.

Extract from the Council of State Debates, Vol. II, No. 27.

The Council met in the Council Chamber, Simla, on Friday, the 2nd September, 1927.

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INDIAN LIMITATION (AMENDMENT) BILL.

THE HONOURABLE MR. S. R. DAS (Law Member): Sir, I move that the Bill further to amend the Indian Limitation Act, 1908, be taken into consideration. I explained the object of this Bill on the last occasion only a short time ago. It refers to certain amendments of Section 10 of the Limitation Act and Articles 133 and 134 of that Act.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Limitation Act, 1908, be taken into consideration."

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Sir I beg to move:

"That the Bill further to amend the Indian Limitation Act, 1908, be referred to a Select Committee."

My reason for doing so is that the Bill as framed raises very vital questions which involve very serious consequences to Hindu, Muhammadan and Buddhist religious and charitable trusts. The law as it at present stands may be summarised thus. With regard to a suit to recover properties vested in a trustee for a specific purpose, there is no period of limitation. Properties can be recovered after the lapse of any time; so also with regard to trust properties alienated by the trustee without consideration; they may also be recovered now after the lapse of any time. With regard to trust properties alienated for valuable consideration the period of limitation for recovering them is 12 years from the date of the transfer under Article 134 of the Indian Limitation Act. With regard to trespass on endowment properties, the period of limitation is also 12 years. But, sir, the Privy Council have introduced a very material change by the well-known decision in Vidya Varudhi *vs.* Valuswami Pandithar, in which they point out that *Dharmakarthas* of Hindu temples, *Mutavallis* of mosques and people like that are not trustees in the English sense of the word, that they are mere managers, and no property is vested in trust in them, and therefore they are not within the purview of Section 10 and they will not be within the purview of Article 134. The consequences of that decision are these. With regard to properties alienated by such managers, whether for consideration or not, the protection of Section 10 is not available, and a suit against the alienee of the trust property will be barred by limitation in the ordinary course either by Article 144 or some other article. Therefore, Section 10 will not protect them. To guard against that, I find this Bill makes a provision by adding a paragraph to Section 10 that:

> "For the purposes of this section any property comprised in a Hindu, Muhammadan or Buddhist religious or charitable endowment shall be deemed to be property vested in trust for a specific purpose, and the manager of any such property shall be deemed to be the trustee thereof."

It is of course beneficial so far and it ought to stand. But this Bill further purports to introduce the same *Explanation* into Articles 133 and 134 of the Indian Limitation Act, the effect of which will be very disastrous to Hindu, Moslem and Buddhist endowments.

At present, as the case-law stands with regard to the Hindu, Muhammadan and Buddhist endowment properties, when properties are alienated, they can be recovered back during the lifetime of the alienor and within 12 years from the date of succession by his successor. If an alienor is the manager of a Hindu temple or a Muhammadan mosque, the properties can be got back during the lifetime of the alienor, or within 12 years from the date of his death. Therefore, it gives a very extended period of limitation. Knowing as we do, the very unsatisfactory way in which the Hindu and Mussalman trusts are managed and the negligence with which the rights of these are treated, it is undesirable, in my opinion, to curtail the period of limitation which is now available for suits in regard to that class of

trust properties. This particular Bill says that the suit should be brought within 12 years from the moment the transfer becomes known to the plaintiff, who is generally the beneficiary or the succeeding manager. That is a very serious infringement of the existing right. Therefore, I think it requires very serious consideration from the members of this House.

Another objection to this Bill is that it curtails the period of limitation with regard to the recovery of trust moveables to three years. Article 133, which relates to trust moveables, was purposely placed in that part of the Schedule which relates to suits of 12 years' limitation by the framers of the Indian Limitation Act. It has been there since the Indian Limitation Act was passed, and even in the English Statutes a difference exists between the trust moveables and the ordinary moveable property with regard to limitation. Some of these moveable properties consist of incomes from various sources like securities and things of that sort. Therefore, if a trustee misappropriates the trust moveable property by alienating it, I really do not see any justification why the trust should be made to lose the property within a short period of three years. Indeed, it would be very disastrous to the interests of the trust. It may be urged that it will not be possible to recover the specific moveable property after three years, but it is well known to the members of the House that when a suit is brought to recover the moveable property, in the alternative a claim for its value should be made under the Civil Procedure Code. Therefore, the article really deprives the trust of the right to get back the value of properties misappropriated. A man cannot be put into jail for not bringing a specific moveable into the court. He can only be mulcted in damages to the extent of the value of the article. Therefore, the curtailment of the period of limitation means that you cannot recover either damages or its value after three years. Some members perhaps know that when the remedy is barred, the right is also extinguished under the Indian Limitation Act. In the case of some annuities the endowment may not only lose the incomes for three years but also lose the right itself. Therefore, it is a very serious curtailment. I have not seen in the Statement of Objects and Reasons any reasons as to why a provision which existed from the time the Indian Limitation Act was enacted is sought to be suddenly changed so as to curtail the period of limitation from 12 to 3 years.

Another matter which requires consideration is this. The existing Article 134 says that the period of limitation should be 12 years from the date of the transfer to recover trust properties. This Bill says 12 years " when the transfer becomes known to the plaintiff." The Civil Justice Committee was considering the means whereby to curtail the length of the civil proceedings, and therefore they wanted something more definite in the third columns of the articles in the Limitation Act wherever they were vague and involved the adding of a large mass of oral evidence. If you say that the starting point is the date of the transfer of title, or of possession, then it will be something definite. If it is the date of plaintiff's knowledge, in every case the plaintiff may say that he knew it only two years ago and the defendant may say that the plaintiff knew it more than 12 years ago. Therefore, it opens a wide door for voluminous oral evidence. The object of the Civil Justice Committee is actually frustrated by this provision by making it more vague and more elastic and thereby opening the door to more conflicting evidence in cases like these. I notice from the Bill to amend the Transfer of Property Act, which was circulated to all of us, that registration was made a conclusive proof of knowledge at least for those who take the property. It is also proposed to make conveyance compulsory in all cases of transfer. If that is so, then the original article giving it from the date of transfer may stand. Anyhow, this is a matter which ought to be considered. What is most extraordinary is this. With regard to Article 134, one set of Judges said that the starting point of limitation should be from the date of transfer ; another set of Judges said that it ought to be from the date when the possession of the property was taken ; and the third set of Judges said that the article applied only to those cases in which the transfer was accompanied by possession. I find that the Bill does not adopt any of these three views. It takes the fourth view, namely, that the starting point should be from the date of knowledge of the plaintiff. I think there is much to be said in favour of the three views already taken by some eminent Judges of the High Courts. One of them was Sir John Wallis, who is now in the Privy Council, the others, Sir Murray Coutts-Trotter, the present Chief Justice of Madras, the late Justice Sir K. Srinivasa Iyenger of Madras and Justice Mukherjee of the Calcutta High Court. From the beneficiary plaintiff's point of view the date of the passing of the possession to the alienor may be most equitable for registration may not be notice of transfer to the beneficiary who seeks to recover the properties.

The proper course is to have a separate article to deal with the cases of alienation of Hindu, Muhammadan and Buddhist endowments and not to club them with alienations of other kinds of trusts now dealt with by Articles 133 and 134. The Bill as framed raises very large questions by curtailing valuable rights and creating various other difficulties. I do not think it should be passed in the form in which it is framed. Therefore, I suggest that more thought should be given to it, and with this object I move that it be referred to a Select Committee.

THE HONOURABLE MR. S. R. DAS: Sir, I am prepared to accept the motion moved by the Honourable Mr. Ramadas Pantulu, but I should like to make it clear that the Bill curtails none of the present rights. However, it is a matter that might very well go to the Select Committee so that I may be able to show my learned friend that his apprehensions are really needless.

THE HONOURABLE THE PRESIDENT: The original question was:

"That the Bill further to amend the Indian Limitation Act, 1908, be taken into consideration."

Since which an amendment has been moved:

"That the Bill be referred to a Select Committee."

The question I have to put is:

"That the Bill be referred to a Select Committee."

The motion was adopted.

Extract from the Council of State Debates, Vol. II, No. 35.

The Council met in the Council Chamber, Simla, on Monday, the 19th September, 1927.

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INDIAN LIMITATION (AMENDMENT) BILL.

THE HONOURABLE MR. S. R. DAS (Law Member): Sir, I move that the Bill further to amend the Indian Limitation Act, 1908, as reported by the Select Committee, be circulated for the purpose of eliciting opinion thereon.

The Select Committee have altered the Bill as introduced in certain important particulars, and they have recommended that this Bill should be circulated for the purpose of eliciting opinion, and I move accordingly.

The motion was adopted.

No. 2146/178 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *8th November*, 1927.

MESSRS. CRAIGIE, BLUNT AND CAROE,
BOMBAY.

DEAR SIRS,

I am directed to forward you letter No. 2654/2 of the 20th October from the Government of Bombay, together with the enclosures referred to therein regarding certain proposed amendments in the Indian Limitation Act.

My Committee desire to be favoured with your opinion regarding the proposed amendments, to enable them to decide whether the amendments should be supported or opposed. Will you kindly let me have your views on the subject at your early convenience.—Yours, etc.,

T. MALONEY,
Secretary.

BOMBAY, *22nd November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

We duly received your letter of the 8th instant forwarding a Bill to amend the Indian Limitation Act, 1908, submitted to the Association by Government for their consideration.

You desire to be advised whether the amendments proposed by the Bill are such as the Committee should support.

The Bill as first introduced was submitted to a Select Committee for its consideration and it is on the Bill as amended by the Select Committee that we propose to comment.

We will preface our remarks by stating that it is not likely that members of the Association will be seriously affected by the proposed amendments.

By Section 10 of the Indian Limitation Act, suits against trustees and their representatives or assigns (not being assigns for valuable consideration) in whom any property has become vested in trust for any specific purpose, for the purpose of following in his or their hands any such property or the proceeds thereof or for an account of such property or proceeds are not barred by any period of limitation.

The Privy Council has however recently held that property comprised in Hindu, Muhammadan or Buddhist religious or charitable endowments is not property vested in trust for a specific purpose and that the *Dharmakarta* of a temple or the *Mutawali* of a mosque is a mere manager and not a trustee. If the property comprised in such an endowment is not to be deemed property vested in trust for a specific purpose various articles of the Limitation Act would be applicable, and the period of limitation might be six or twelve years.

There are not, so far as we can see, any cogent reasons why a manager of a religious or charitable endowment, who misplaces the confidence reposed in him should be under a liability to account and make good any breaches of trust during a shorter period of time than a defaulting trustee. In our opinion the amendment contained in Section (2) of the Bill should be supported.

The subject is one which mainly affects the views of members of the communities concerned, but we see that the Bill has the support of well-known members of the Hindu community, and has been introduced by the Hon'ble Mr. S. R. Das, the Law Member, which seems to us to be an additional reason for suggesting that the amendment should be supported.

Articles 133 and 134 of the Schedule to the Indian Limitation Act deal with suits to recover property, moveable and immoveable, conveyed or bequeathed in trust or mortgaged and afterwards transferred for valuable consideration.

With regard to the suggested insertion of Article 48 (*a*) after Article 48, the relevant article as to limitation in respect of suits it is desired to file on causes of action similar to those appearing in Article 48 (*a*) is Article 133, which enacts that limitation shall commence 12 years from the date of the purchase.

It is proposed to amend the article by making the period of limitation three years from the date when the sale becomes known to the plaintiff.

The article deals with moveable property only.

The amendment is a double one.

It alters the date from which limitation commences but reduces the period.

As regards the reduction in the period, the suggested amendment is on the face of it to be supported because there does not seem any reason why, when the sale becomes known to the plaintiff, he should not within three years from that date be liable to file a suit.

The limitation as stated now commences from the date of the purchase, and it seems to us that cases might easily occur where within 12 years from the date of the purchase the

intending plaintiff might know nothing of the sale and his rights might thus be prejudiced without his fault. Logically, therefore, it seems to us that the amendment in this respect is also an improvement.

A possible difficulty which we foresee is that argument might arise as to when the sale became known to the plaintiff, the defendant contending the plaintiff knew it six years ago, the plaintiff contending he only learnt of it six months ago. This is a difficulty which we think must be faced when occasion arises as we think the amendment is logical and reasonable.

In Article 134 the date from which limitation in respect of the causes of action mentioned in that section runs in respect of immoveable property is from the date of the transfer. It is intended now to amend the section so as to make limitation run from the date when the transfer becomes known to the plaintiff but to leave the period of limitation at 12 years.

We think the same arguments as we have employed above apply equally well to the present amendment.

An amendment of Article 134 was in view of the many doubts expressed in a recent Madras Full Bench decision thereon in any case called for, and the only question that has arisen is as to the form the amendment should take.

It is usual to give a longer period of limitation in the case of immoveable property and we see no reason why the period of 12 years should not remain.

The amendment of the Schedule by the insertion of Articles 48B and 134A follows logically on the amendment to Section 10 referred to above.

Articles 48C and 134B deal with the claim of a manager of a Hindu, Muhammadan or Buddhist religious or charitable endowment to recover possession of property, moveable and immoveable, comprised in the endowment which has been sold by a previous manager for valuable consideration.

It appears from the text-books that some doubt has been expressed by various Courts as to the article such suit would fall under.

It is always advisable to remove doubts by legislation, and accepting this proposition, the periods fixed by the amendment do not appear unreasonable.

It follows, therefore, that in our opinion the Bill is worthy of support.

We return the papers you have sent us.—We are, etc.,

CRAIGIE, BLUNT & CAROE.

No. 2277/178 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd November*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE HOME DEPARTMENT, BOMBAY.

SIR,

SUBJECT:—*Indian Limitation Act—Amendment of—.*

I am directed to acknowledge receipt of your letter No. 2654/2-B, dated 20th October, and to thank you for having given my Association an opportunity of expressing an opinion on the proposed amendments in the Indian Limitation Act. My Committee have given the proposals their careful consideration, and I am to state that, as far as they are in a position to judge, the alterations suggested are not objectionable.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 57.

RULES OF THE COMMERCIAL COURT.

Copy of letter No. G. 208, dated 7th February 1927, from the Secretary, the Indian Merchants' Chamber, to the Acting Prothonotary and Registrar, O.J., H. M.'s High Court, Bombay.

SIR,

I am directed to send hereby views of the Committee of this Chamber in reply to your letter of the 13th December 1926, No. 1028 of 1926, regarding the new Commercial Causes Rules of the Bombay High Court.

2. The amendments and additions principally deal with (1) the putting in or dispensing with the written statements in Commercial Causes; (2) permission to prove facts by affidavits instead of by oral evidence; and (3) admission of copies of documents or entries in the books, in place of the original.

3. *Written Statements.*—Dispensing with written statements in Commercial Causes in which usually large stakes are involved is in the opinion of my Committee a dangerous experiment which is more likely to prolong litigation than to shorten it. In the absence of a written statement the parties will have a sufficiently wide scope to keep on altering their case as the suit develops, in spite of the fact that "points of defence" may have already been noted. Besides, it will, my Committee fear, multiply work in the form of an increased number of contested Chamber Summonses requisitioning the assistance of counsels. Unfortunately, in Bombay the practice is to engage counsel in almost all contested Chamber matters, and that too senior counsel, with the result that the cost as well as length of proceedings are both likely to be multiplied.

4. *Proofs by Affidavits.*—In suits of such great importance as Commercial suits where facts are to be proved, oral evidence is, in the opinion of my Committee, absolutely essential in the interests of justice, as otherwise a dishonest litigant is bound to get the better of his honest opponent. Cross-examination is the weapon against perjury and my Committee think that time and money spent on such oral evidence in open Court is amply repaid through greater efficiency being achieved in results. A litigant who has a good case would sooner devote both these in order to secure justice, than risk his case on a mere contest between expert draftsmen of affidavits. My Committee are of opinion that it is rather misplaced economy to save costs at such a great sacrifice and trust these rules will not be given effect to by Judges when they use their discretion, except in rare cases. In fact my Committee are totally opposed to this rule being enforced.

5. *Admission of copies of Documents and Book Entries.*—Here too my Committee are afraid that the rules are not likely to lead to satisfactory results. In case of banks who keep regular books and are responsible institutions, who require their books almost every minute of the day, such a concession is no doubt safe and reasonable, but my Committee are of opinion that this rule cannot be safely extended to litigation among businessmen and traders where it is absolutely essential that the original records should be brought into the Court for inspection of the parties, as well as the Court. The question as to where such an original record should be produced in Court, and where not, will have also to be decided through a Contested Summons, with the result that costs will increase and proceedings unnecessarily multiplied.—(Sd.) J. K. MEHTA.

Copy forwarded with compliments, for information, to:—The Secretary, the Mill-owners' Association, Bombay.

(Sd.) J. K. MEHTA,
Secretary,
INDIAN MERCHANTS' CHAMBER.

No. 401/59 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 21*st February*, 1927.

MESSRS. CRAIGIE, BLUNT & CAROE,
SOLICITORS, BOMBAY.

DEAR SIRS,

My Committee understand that in December last, the Prothonotary and Registrar of His Majesty's High Court, Bombay, invited the opinion of certain commercial bodies regarding the proposed new Commercial Causes Rules of the Bombay High Court. This Association has not been asked for its views, nor is it aware what these new rules are. You must doubtless have a copy of these new rules with you, and my Committee desire to be favoured with your expert advice as to whether there is anything in the rules to which Millowners should take exception. On getting your reply, my Committee will consider the advisability or otherwise of making a representation to the High Court.—Yours, etc.,

T. MALONEY,
Secretary.

BOMBAY, 23*rd February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Rules of the Commercial Court.

We beg to acknowledge the receipt of your letter.

The rules have been amended in some small matters of procedure which in our opinion are an improvement on the old procedure and will tend to simplify and expedite the hearing of Commercial cases.

If you wish we will send you a copy of the old Rules of the Commercial Court and a copy of the amendments.

The most important amendments made are the following:—

First, that Commercial Summonses instead of being heard by the Chamber Judge are now heard by the Judge taking Commercial cases. This follows the practice adopted in England as it is thought advisable that the Judge who will try the case shall also be seized of the preliminary interlocutory proceedings.

Secondly, in lieu of affidavits of documents lists of documents will be exchanged. These lists will not be on oath but the solicitors will be responsible for seeing that all relevant documents have been disclosed and they will be subject to the disciplinary jurisdiction of the Court if they are guilty of wilfully concealing documents.

We do not think there is very much in this amendment but it is a small saving of expense.

Thirdly, the Judge trying the case is given power to enforce the admission of documents such as log books, survey certificates, Manchester Ship Canal certificates, etc., without formal proof by making the party who refuses to admit such documents pay the costs thrown away by unnecessary commissions.

This does not mean that a party is bound to admit a document regarding the contents of which he has a legitimate ground for cross-examination. It merely means that formal proof of a document need no longer be obtained.

We do not think any of these amendments which, as you will see, are matters mainly of procedure will affect millowners in particular more than any other commercial body in Bombay.—We are, etc.,

CRAIGIE, BLUNT & CAROE.

APPENDIX 58.

AMENDMENT OF THE BOMBAY ELECTORAL RULES.

No. 1363.

LEGAL DEPARTMENT,
BOMBAY CASTLE, *7th April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Amendment of the Bombay Electoral Rules.*

I am directed by the Governor in Council to state that under Rule 7 of Schedule II of the Bombay Electoral Rules a person is qualified as an elector for a Commerce and Industry constituency if his name is entered in the list of members, for the time being in force, of the Association forming such constituency, or if he is entitled to exercise the rights and privileges of membership on behalf of and in the name of any firm or company or corporation entered in such list of members. An individual merchant, or, in the case of a firm, company or corporation, the partner, usually the senior partner, of such firm, company or corporation is accordingly registered in the list of voters of such constituency. The result is that an amendment of the electoral roll becomes necessary each time that such partner is unable to exercise the rights and privileges of membership on behalf of and in the name of such firm, company or corporation. This entails delay and waste of time and money which might well be avoided, as the procedure prescribed by the Electoral Rules and Regulations has to be observed on each occasion. This is particularly noticeable in the case of firms managed by European partners who have got to go on leave and are, therefore, from time to time, unable to vote or to stand for election in the constituency. The difficulty has been more noticeable of late and the Association has often remained unrepresented at a session of the Bombay Legislative Council because the person qualified under the Electoral Rules could not be brought on the roll in time. It would appear that an amendment of Rule 7 of Schedule II of the Bombay Electoral Rules is, therefore, required and that the difficulty pointed out above would be obviated if the rule was so amended as to provide that in the case of any firm, company or corporation entered in the list of members of an Association forming a Commerce and Industry constituency any partner should be qualified as an elector for the constituency, and not the senior or registered partner only.

2. It has also been suggested that the difficulty mentioned above would be sufficiently met—

(*i*) if the electoral roll gives the names of a fixed number of representatives (say three) of each firm ; or

(*ii*) if the electoral roll gives the names of firms, each firm casting one vote through an agent, the qualification for a candidate being that he should be one of the persons authorized by any firm on the roll to take part in the business of the association. Rule 6 (2) of the Bombay Electoral Rules so far as it applies to Commerce and Industry constituencies should then be repealed.

It has been further suggested that the system of voting by post which is followed in connection with elections for the Council of State might prove to be convenient for the Commerce and Industry constituencies.

3. I am accordingly directed to request you to favour Government with your opinion on the points detailed above.—I have, etc.,

N. J. WADIA,
Deputy Secretary to Government.

No. 808/103 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th May*, 1927.

THE DEPUTY SECRETARY TO THE GOVERNMENT OF BOMBAY,
THE LEGAL DEPARTMENT, BOMBAY.

SIR,

SUBJECT :—*Amendment of the Bombay Electoral Rules.*

I am directed to acknowledge the receipt of your letter No. 1363, dated 7th April 1927, requesting the Association's opinion on certain suggestions which have been made for the amendment of the Electoral Rules for Commerce and Industry constituencies.

2. My Committee agree that the present system, under which the name of only one representative of each firm in a Commerce and Industry constituency appears in the electoral roll, is most unsatisfactory, though at the same time they would like to point out that it is rather an exaggeration to say that the Association has remained unrepresented at a session of the Bombay Legislative Council owing to the difficulties caused by the present rules. As far as my Committee are aware, the difficulties caused by having frequently to amend the electoral roll has never left the Association without a representative in the Council during a complete session, but they agree that such a contingency might, at any time, arise. After detailed consideration of the problem involved, my Committee consider that the most practical solution would be to amend the rules so as to allow each firm in any Commerce and Industry constituency to send three names in order of seniority for inclusion in the electoral roll. When an election takes place only one vote would be allowed to each firm and the vote would be recorded by any of the three representatives. Ordinarily, the senior representative available would vote on behalf of his firm, but this need not be laid down in the rules, for, it is unlikely that a junior representative would vote in a manner contrary to the wishes of the firm or of its senior representative, and even if he did it would be a matter for settlement by the firm and not by the returning officer. My Committee also consider that the returning officer of each Commerce and Industry constituency, on receipt of a certified copy of a resolution of the committee, board, or governing body, should be empowered to add or delete from the roll the names of representatives of new firms joining, or old firms seceding from, the Commerce and Industry constituency concerned.

3. My Committee are also inclined to agree that the system of voting by post should be introduced for Commerce constituencies. In the Bombay Millowners' constituency, up-country members of the Association under the present rules are precluded from registering their votes unless the firm has a representative or an office in the City and Island.

4. No attempt has been made in this letter to lay down the exact amendments which would be necessary in the wording of the rules to give effect to the views which my Committee have put forward, but this could probably be done at a later date if Government approve of their proposals.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 59.

PURCHASE OF BENGAL COAL BY INDIAN MILLS.

No. J.D.-210/23.

INDIAN MINING FEDERATION,
CALCUTTA, *25th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I am directed to forward you herewith the copy of telegram forwarded to the Government of India, Commerce Department. In view of the importance of the matter my Committee hope that the above telegram will receive your careful consideration.—Yours, etc.,

P. C. GHOSE,
Secretary.

Copy of (Telegram) dated Calcutta, 25th August 1927, from the Indian Mining Federation to the Secretary to the Government of India, Commerce Department, Simla.

Committee Indian Mining Federation while supporting on principle measures of protection as asked for by cotton mill industry and trusting that such assistance as may be found justified on facts disclosed by the industry will be extended to it are emphatically of opinion that the mill industry should meet its requirements of coal from the Indian supplies and not from South African or other foreign sources. (stop). Committee feel constrained to invite pointed attention to this aspect of the question as recently a leading Bombay Mill purchased 20,000 tons of African coal against offers of good Indian coals at low rates. (Stop) In the absence of specific legislative provision to the effect being not found possible the Committee suggest that Select Committee on Textile Bill should record strong opinion on the point. (stop). It is needless to stress the fairness of the obvious principle that an industry seeking protection must treat sympathetically other home industries. (stop).

CALCUTTA, *25th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

I beg to note with regret from Press reports that some prominent members of your Association are still patronising the South African coal for consumption in their mills in spite of the fact that not only good second class but first class Indian coal may now be obtained at a much reduced rate. I am sure you are fully aware of the present position of the Indian coal industry.

It is needless for me to impress upon you the necessity of supporting the Indian coal business from the national point of view in the same manner as one would desire to support other national concerns in order to save them from unfavourable competition introduced by foreign capital.—Yours, etc.,

AMRITAL OJHA.

No. 1656/152 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *15th September*, 1927.

THE SECRETARY,
THE INDIAN MINING FEDERATION, CALCUTTA.

DEAR SIR,

I am directed to acknowledge the receipt of your letter No. J.D.-210/23, dated the 25th of August 1927, enclosing a copy of a telegram forwarded by you to the Commerce Department, Government of India.

2. My Committee are glad to note that the cotton industry's case for protection is supported by the Indian Mining Federation. As regards the contract for African coal referred to in your telegram to the Government of India, my Committee are making very full enquiries. These enquiries have not yet been completed, but it would appear that the mill referred to has been given the option of taking either Indian or African coal and pressure will be brought to bear on them to take Indian coal if the intrinsic value of the Indian coal is equal to that of the African coal upon which they have an option.

3. It is erroneous to suppose that Bombay mills have a partiality for African coal but in certain circumstances it has been bought because of its relatively low price in relation to Indian, quality for quality. In my Committee's opinion the purchase of Indian coal in preference to African would be considerably assisted if lower freight rates could be obtained for the former, and, as your Federation is aware, a special representation in this connection has recently been addressed by this Association to the Government of India.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1647/152 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *15th September*, 1927.

AMRIT LAL OJHA, ESQ.,
CALCUTTA.

DEAR SIR,

I am directed to acknowledge the receipt of your letter dated the 25th August.

In reply, I am directed to state that it is erroneous to suppose that mills have a partiality for African coal. Considerations of price and quality are the determining factors in purchasing coal and other commodities. Sometimes it pays mills to purchase African coal even though Indian coal is offered at a lower rate, because the superior quality of African coal ensures more economical working, and is in the long run found to be cheaper than Indian coal. It is hoped that this letter will clear up any unfortunate misgiving that may have been created in your mind.—Yours, etc.,

T. MALONEY,
Secretary.

No. F. T.D.

INDIAN MINING FEDERATION,
CALCUTTA, *1st October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

SUBJECT:—*Purchase of Foreign Coal by the Cotton Mills.*

I am directed to refer to your letter No. 1656/152 of 1927 of 15th September in which you state that enquiries are being made in regard to the recent purchases of South African coal by an important group of cotton mills. While the Committee feel thankful to your Association for the interest being taken in the matter they do not consider the attitude of your Association sufficiently sympathetic towards the Indian coal industry. As you are doubtless aware and even on the authority of the Indian Coal Committee (*vide* p. 27 of the Committee's report) the Indian coal is not intrinsically inferior to the South African. As regards price, the Indian coals are being offered at very low prices owing to continued depression of the industry. Should there be still cases in which quality for quality Indian coal is not cheaper than South African, it is expected that considerations other than mere commercial advantage would determine the decision of the Millowners. The Committee of the Federation considers that to the Millowners' Association such a request may for obvious reasons be made and it is hoped that the same will be readily responded to.

Regarding the quality of the coal, the Committee of the Federation would just point out that one of the reasons for deterioration of the Indian coal is the absence of direct transaction between the mills and the collieries.—Yours, etc.,

P. C. GHOSE,
Secretary.

No. 1999/152 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *27th October*, 1927.

THE SECRETARY,
THE INDIAN MINING FEDERATION, CALCUTTA.

DEAR SIR,

Purchase of Foreign Coal by Indian Cotton Mills.

I write to acknowledge receipt of your letter No. F. T.D. dated the 1st instant, and to say that the views expressed by you will be reproduced in the Association's monthly Excerpts for sympathetic consideration by the members of the Association.—Yours, etc.,

T. MALONEY,
Secretary.

No. J.D.-210/24.

THE INDIAN MINING FEDERATION,
CALCUTTA, *19th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

In continuation of this office correspondence ending with your letter No. 1999/152 of 1927, dated the 27th ultimo, resting on the question of the use of Indian coal by the Bombay cotton mills, I am again instructed to make further observations in the matter. Since

the Committee of the Federation addressed your Association on the 1st October last, their attention has been drawn to the official report of the remarks made by Sir Victor Sassoon —the representative of your Association—in the Legislative Assembly on the 7th September last in course of debate on the Indian Tariff (Cotton Yarn Amendment) Bill (*vide* pp. 4096-17, Vol. IV, No. 58, Legislative Assembly Debate). Sir Victor while replying to Mr. K. C. Neogy stated in effect that the payment of a price higher to the Natal than to the Indian coal must be regarded *ipos facto* as a ground for presumption that the calorific value of the Natal coal is superior to that of the competing Indian coal. Secondly, Sir Victor made an observation that in making purchase of coal, the mill industry must necessarily buy in the cheapest market. The Committee of the Indian Mining Federation cannot take too strong exception to both these observations. Regarding the latter, the Committee are not aware if the Millowners' Association will not declare their complete dissociation from such a statement, seeing that it was made on an occasion when an appeal was being made to the consumers of textile goods to buy their requirements in other than the cheapest one. Turning to the first statement, the Committee desire again to emphasise the view already expressed that best Indian coals are better than the best Natal coal. It is idle to justify a preference for the latter on a facile and unwarranted presumption that quality for quality Indian coal is dearer than Natal. A specific instance of such a character is not unthinkable but to generalise such a position on grounds no better than presumption is wholly unjustified. The Committee have at their disposal the particulars of the following transaction which gives the lie direct to Sir Victor's line of defence. It is reported that Lodna special grade was sold at Bombay at Rs. 16 per ton delivered into buyers' lighters for the period from September 27 to April 28, this year. As against this transaction Natal coal was sold at 27 shillings C.I.F. per ton less 2 per cent. in lieu of weighment. The latter transaction works out, including the duty and other charges, at Rs. 17-12 roughly per ton *ex bundar*. In the circumstances it would appear that the industrial consumers in Bombay are giving distinct preference to the Natal over the Indian coal even quality for quality, for it cannot by any means be contended that the best Natal coal is superior to special grade Lodna. The attention of your Committee in this connection is again invited to the conclusion of the Indian Coal Committee recorded in paragraph 27 (page 27) of their Report.—Yours, etc.,

P. C. GHOSE,
Secretary.

BOMBAY, *22nd November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Notes on Mr. Ghose's Letter.

The origin of my remarks to the House was Mr. Neogy's statement that Messrs. Currimbhoy had actually bought Natal coal in preference to Indian coal.

I immediately corresponded with Sir Fazulbhoy on the point and he informed me that his firm had not actually bought Natal coal instead of Indian, but had bought coal at a certain price with the right of specifying Natal if it were more favourable for his purposes.

I distinctly understood that Natal coal was actually better than Indian coal and this would appear to be borne out on page 27 of the report of the Indian Coal Committee.

The justification for my remarks, therefore, lie in the fact that a particular instance was referred to by Mr. Neogy and my reply was based on the information afforded to me by Sir Fazulbhoy Currimbhoy whose firm had been referred to.

I have no technical information as to superiority of one coal over another and so I am not in a position to deal with the last para of Mr. Ghose's remarks. No doubt Sir Fazulbhoy will be able to give the necessary technical information as regards this point.

For the information of the Committee I enclose copy of my remarks in the Assembly. —Yours, etc.,

VICTOR SASSOON.

Extract from Speech by Mr. K. C. Neogy, dated 6th September 1927.

Sir, it has been said by the Honourable Member in charge this morning—it was said by some other members also on a previous occasion—that we must pay sufficient regard to the national importance of this industry. I will be the last person to under-rate the national importance of such an industry as the cotton textile industry of India. But, sir, when an appeal is made to our patriotic sentiments, can we not ask the millowners to observe that rule "Do unto others as you would be done by?" What has their attitude been in regard to other industries of India? My honourable friend Mr. Das on the last occasion made a complaint that the Bombay mill industry did little or nothing to promote sister industries—allied industries—industries on which they depend for the carrying on of their own business. Here I have an instance in which they have been very negligent of the interests of another great national industry in India. The industry to which I am going to refer has also been suffering on account of unfair competition from another country. May I not expect my friends from Bombay—my millowner friends—to have a little more sympathy for another struggling industry of India? Sir, telegrams were sent to the members of the Select Committee from the Indian Mining Federation referring to an instance in which the Bombay mill industry or a particular firm of Bombay millowners, went in for a large indent of bounty-fed South African coal in spite of the fact that cheaper coal was available to it. Sir, that message came from an interested party, but here I hold in my hand the comment of a recognised commercial journal, conducted by Europeans, I mean the *Commerce*, dated the 3rd September 1927. This is what it says:

> "During the past fortnight there has been no business of any importance reported except that a series of cargoes of Natal coal amounting to about 50,000 tons in the aggregate have been fixed for delivery up to June 1928, and that Messrs. Currimbhoy Ebrahim and Sons have accepted Natal Northern Navigation coal 1,500 tons per month, the reported price being 27*s.* per ton c.i.f. which means about Rs. 18-3 at the present rate of exchange and adding landing and delivery charges, and import duty it brings the cost delivered to about Rs. 22-9.
>
> "Now we know."

This is how the paper proceeds:

> ".....they were offered selected grade 14 seam Jherria railborne at a price which would mean, delivered, weighed and stacked at mills, about Rs. 21-4 per ton. What then is to be said when an Indian industry will pay over Rs. 1 per ton more for foreign coal rather than support its own country's coal industry? And further, it is a well-known fact that railborne coal is always in much better condition than is the case with seaborne. However, there is the fact, and this market has to contemplate at any rate for the next eight or nine months, the competition of roughly 6,000 tons per month certain of coal which should by all means have come from India's collieries, instead of from Africa."

Are we not entitled to expect fair play even from the Bombay millowners?

Extract from Speech by Sir Victor Sassoon, dated 7th September 1927.

Now another of the points that Mr. Neogy emphasised, and which must have appealed to the House as it did appeal to me, was the question of coal as supplied to the mill industry. Now I know the firm of Currimbhoy Ebrahim and Sons very well and have the advantage of a personal acquaintance with the head of the firm, Sir Fazulbhoy Currimbhoy. Those of the members of this House who know Sir Fazulbhoy must have felt, as I felt, that it was inconceivable that he should have bought foreign coal at a dearer price than Indian coal, and so I wired to Sir Fazulbhoy, and I have received his answer, which is to the effect that all that he has done is to buy 1,500 tons monthly from a local coal merchant in Bombay, and he has asked for a selected grade Lodna Bengal coal but that he has put a clause in the agreement that at his option he can take some of the Natal coal already bought for import, if economy necessitates such action. Now, sir, that is a very different thing to saying that he has refused to buy the cheaper Indian coal and preferred to buy at a higher price. I am quite sure that if he is going to pay more for that Natal coal actually per ton of the Indian coal, it must be because the calorific value of that Natal coal is much higher; it has more heating properties, and is therefore actually, in work, cheaper than the other; and the mill industry of Bombay is not in such a state that it can afford not to buy in the cheapest

market. We have to economise all our resources, and I do not think that Sir Fazulbhoy can be blamed for buying in the cheapest market. But at any rate I have now received a second telegram from Sir Fazulbhoy, and it says that he is prepared not to exercise his option to take Natal coal, although it is more economical. I hope, sir, that on the other hand my friend from Bengal will use his influence with the Bengal producers—I think we have one here. (Laughter.) May I appeal to the Honourable Sir Alexander Murray that he will see that the actual price of Bengal coal of equal calorific value is at any rate no higher than what Messrs. Currimbhoy Ebrahim would have to pay for their Natal coal? Sir, I have been asked to say that this would depend to a large extent on the question of freight. (Hear, hear.) I would appeal to Sir George Rainy to reduce the freight on coal from Calcutta, especially as I have a recollection that if he will look through his files, he will find that the Millowners' Association have lately been making representations to this very effect. As a matter of fact the question of coal for our industry is not as large a one as people might think, due to the fact that out of 83 mills, 72 are now operating on electricity which we get from the Hydro-Electric Works, and of the balance five or six are now applying to get electric power; so I am afraid that my Bengal friends must not look to the Bombay mill industry as an outlet for very much of their coal.

No. 2434/152 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th December*, 1927.

THE SECRETARY,
THE INDIAN MINING FEDERATION, CALCUTTA.

DEAR SIR,

I am directed to acknowledge receipt of your letter No. J.D. 210/24 of the 19th ultimo which has been very sympathetically considered by my Committee.

2. It appears to my Committee that you have apparently either misread or misunderstood the explanation given by Sir Victor Sassoon, Bart., in the Legislative Assembly. In the first place his statement referred to a particular transaction in coal by a particular firm, and as far as my Committee can see, after perusing the verbatim account of his speech Sir Victor never came to the general conclusion which you have attributed to him, *viz.*, that Natal coal had a higher calorific value than special grade Lodna coal. It would be well to quote here the exact words of Sir Victor Sassoon:—

> "Now another of the points that Mr. Neogy emphasised, and which must have appealed to the House as it did appeal to me, was the question of coal as supplied to the mill industry. Now I know the firm of Currimbhoy Ebrahim & Sons very well and have the advantage of a personal acquaintance with the head of the firm, Sir Fazulbhoy Currimbhoy. Those of the members of this House who know Sir Fazulbhoy must have felt, as I felt, that it was inconceivable that he should have bought foreign coal at a dearer price than Indian coal, and so I wired to Sir Fazulbhoy, and I have received his answer, which is to the effect that all that he has done is to buy 1,500 tons monthly from a local coal merchant in Bombay, and he has asked for a selected grade Lodna Bengal coal but that he has put a clause in the agreement that at his option he can take some of the Natal coal already bought for import, if economy necessitates such action."

3. My Committee regret to find that your Committee are apparently labouring under serious misconception as to the attitude of the Bombay millowners towards the great indigenous industry of Bengal, and desire me to assure you that other conditions being equal, millowners are always prepared to give preference to Indian coal over foreign coal, and very often they are willing to stretch a point in favour of Indian coal. Sir Fazulbhoy himself, as Sir Victor Sassoon made it clear in his speech, eventually decided not to exercise his option to take Natal coal, although it was more economical.

4. In my Committee's opinion, one of the main handicaps of the coal industry of Bengal is the present high level of railway freights for coal from Bengal to Western India. In this connection another letter has been addressed to you, and my Committee hope the Railway Board will see their way to help your industry by reducing the present rates.
—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 60.

RAILWAY FREIGHT RATES ON COAL.

WM. LAWS & CO.,
BOMBAY, *7th April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

Bengal Coals—Railborne Coal.

We beg to enquire if the Association have any confirmation of the rumour of a special reduction of 20 per cent. on freights to Bombay on half rakes (about 450 tons). If this is so it will mean the freight, at present Rs. 13-12 per ton, will be reduced to Rs. 11 a ton against Rs. 11-4 the pre-war rate.

If this rumour becomes *un fait accompli* it will mean a quite good reduction to only those few mills that are burning coal in fairly large quantities, as well as dealers. Those mills who now burn only small quantities will not benefit at all. We would, therefore, beg to suggest, if it meets with the view of the majority of your members, that the present is a very suitable time to take this matter up with the Railway Board for a permanent reduction on Bengal coal freights to Bombay. Freight rates went up from Bengal from Rs. 11-4 to over Rs. 14 and are now Rs. 13-12 while Central Province coals went up to over Rs. 9 during the war and were reduced to Rs. 8-12 and then again to Rs. 7-12. The Central Province collieries being more or less all on the G. I. P. the last concession is practically all borne by the G. I. P. Railway which is now being worked by Government and the whole question of a reduction lies on the E. I. Railway, also a Government-worked line, following suit, and the B.-N. Railway would, we fancy, follow also. Railborne coal should be encouraged for it has many advantages over seaborne coal, the following being the chief ones :—

(1) To a great extent eliminating foreign coals—with a freight at Rs. 11-4 and a good coal at about Rs. 4-4 would mean Rs. 15-8 at Bombay and with mucca-dumage from the nearest station to the mill Rs. 2 to Rs. 2-8 (or even less in some cases) would mean Rs. 17-8 to Rs. 18 a ton mill delivery and sea freights would have to drop considerably to pre-war level to enable African coal, for example, to drop to this price.

(2) The railway companies would earn lacs of rupees in freight which are paid for steamer freights at present.

(3) The buyer would be certain that the coal he has contracted for is actually being delivered as the railway receipts in most cases plainly show origin.

(4) The buyer would also benefit greatly by receiving a coal that has been loaded at colliery, dumped once only on arrival and loaded into carts and taken to his mill. Seaborne coal is dumped at seaport, loaded and dumped down a hold 20 to 40 feet deep, dug up and dumped into a lighter with a 20-feet drop, dug up and placed on shore and then dug up and placed on carts for despatch to the mill.

(5) Finally, with guaranteed good coals reaching consumers at under Rs. 20 per ton will serve to check the price on foreign oil fuels for those mills burning oil. —We are, etc.,

WM. LAWS & CO.

No. 831/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *16th May*, 1927.

THE SECRETARY,
THE RAILWAY BOARD, SIMLA.

SIR,

I have the honour, under instructions of my Committee, to invite your attention to the high freight rates charged by the East India Railway and the Bengal-Nagpur Railway on coal sent to Bombay.

2. During the war the freight rates for Central Province coals went up to over Rs. 9 and were then reduced to Rs. 8-12 and subsequently to Rs. 7-12. In the case of Bengal coal, freight rates went up from Rs. 11-4 to over Rs. 14 and now stand at Rs. 13-12. These figures show that in the case of Bengal coal there is not much difference between the present freight rate and the rate which prevailed during the war, whereas in the case of Central Provinces coal, a considerable reduction has been made. My Committee submit that in the interests of the great industries in this part of the country which largely use Bengal coal, a reduction in the freight rates is overdue and should be effected with as little delay as possible.

3. My Committee would like to point out that if the freight rates on Bengal coals are reduced so as to bring them more in line with steamer freights or the pre-war level of Rs. 11-4 much of the coal now sent by sea would in future be sent by rail, and would find employment for some of the surplus waggons which the railways of the country are believed to possess, and would eventually lead to a substantial increase in railway earnings.

4. There are several reasons why my Committee consider that despatch of coal by rail should be encouraged in preference to despatch by sea. In the first place, the railways are among the country's chief economic assets, and to all intents and purposes belong to, create wealth for, and bring employment to, the people of the country which is not equally true as regards the shipping companies. Secondly, railway freights are in a great measure subject to Government control, and are not liable to be altered arbitrarily at short notice. In a busy season it is quite possible that freight space by sea might be impossible to obtain. Thirdly, mills and other large buyers of coal in Bombay consider that coal sent by rail is likely to be received in better condition, and is less likely to be mixed than coal sent by sea for the reason that in the case of railways coal has only to be loaded at the colliery, dumped once on arrival, reloaded into carts and taken to the mills. On the other hand, seaborne coal is dumped at the seaport and has then to be loaded, dumped down a hold 20 to 40 feet deep, dug up and dumped into a lighter with a 20-feet drop, dug up again and placed on shore, and then dug up a third time and placed on the carts for despatch to the mills—a process which naturally involves a considerable amount of damage and deterioration even if mixing does not take place at the wharf.

5. My Committee trust that they have made it sufficiently clear that there is a case for reducing railway freights on Bengal coal despatched to Bombay, and they commend this matter to the earnest and sympathetic consideration of the Railway Board.—I have, etc.,

T. MALONEY,
Secretary.

No. 834/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *17th May*, 1927.

MESSRS. WM. LAWS & CO.,
BOMBAY.

DEAR SIRS,

Reduction of Railway Freight Rates.

With reference to your letter of the 7th ultimo on the above subject, you will be pleased to know that this Association has made a representation to the Secretary, Railway Board, Simla, regarding reduction of railway freights on coal. A copy of the representation* made is enclosed herewith for your information.—Yours, etc.,

T. MALONEY,
Secretary.

No. 1896-T.

GOVERNMENT OF INDIA,
RAILWAY DEPARTMENT (RAILWAY BOARD),
SIMLA, *27th May*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Rates on Coal for Bombay.

I am directed to acknowledge the receipt of your letter No. 831/89, dated the 16th May 1927, on the subject quoted above, and to state that in view of the fact that long-distance coal rates introduced last year were fixed at what at present appear to be the lowest commercially possible rates, the Railway Board regret that they cannot recommend any further reduction in the rates to Bombay.—I have, etc.,

B. MOODY,
For *Secretary, Railway Board.*

No. 1337/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

THE SECRETARY,
INDIAN MINING FEDERATION, CALCUTTA.

SIR,

I am directed to forward herewith a copy of a letter addressed by this Association to the Railway Board on 16th May 1927, and the Railway Board's reply* thereto of 27th May 1927.

2. My Committee consider the Railway Board's reply to be most unsatisfactory, but before pursuing this matter further they would like to be favoured with the views of your Federation as to the advisability or otherwise of pressing at the present moment for a reduction in freight rates on coal.

3. The favour of an early reply setting forth your views in detail will be much appreciated.—Yours, etc.,

T. MALONEY,
Secretary.

Similar letter to the Indian Mining Association, Calcutta.

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* Already printed.

No. CL.-130/21-22.

INDIAN MINING FEDERATION,
CALCUTTA, *29th July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to acknowledge receipt of your letter No. 1337/89 of 1927, dated the 26th instant, together with the correspondence which your Association had with the Railway Board regarding reduction of freight rates on coal. The considered views of the Committee in this connection will be communicated to you as soon as possible.—Yours, etc.,

B. DAS GUPTA,
For *Secretary*.

No. CL.-130/21-22.

INDIAN MINING FEDERATION,
CALCUTTA, *5th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Reduction of Coal Freight.*

In continuation of this office letter No. CL.-130/21-22, dated the 29th July 1927, I am directed to say that in the opinion of the Committee, your Association should further urge the reduction of coal freight. The Government should also be asked to present their reasoned case against the reduction. In this connection the Committee of the Federation would be glad to learn the fuel cost of the mill industry per unit of production at the present price in lieu of coal.

A copy of the resolution which Mr. K. C. Neogy, M.L.A., and probably other members would give notice of at the coming session of the Assembly is forwarded herewith. —Yours, etc.,

P. C. GHOSE,
Secretary

Resolutions.

1. This Assembly recommends to the Governor-General in Council that having regard to the continued and grave depression in the Indian coal trade not less than 80 per cent. of total requirements of coal of the Indian railways be met by purchase from the open market at least for a period of three years and that a small Advisory Committee of two members of this House be associated with the purchasing officer of the Railway Board, especially to ensure that purchases are distributed extensively over the whole trade.

2. This Assembly recommends to the Governor-General in Council that with a view to lowering the cost of coal for industrial consumers and sustaining a steady demand for Indian coal, immediate steps be taken to reduce substantially over all the Indian railway systems freight on coal and still more substantially that on domestic coke the demand for which is practically elastic without limit of any quantity.

Will the Government be pleased to state if in recent years reductions were effected in freight on coal despatched from the C. P. coalfields? If so, will the Government state when were the reductions effected and the extent of the reduction granted from time to time?

1. Will the Government be pleased to state what is the aggregate tonnage of coal consumed by the major Indian railways for the purposes indicated below, the figures for each railway being shown separately :—

(*a*) running of mail and fast expresses,
(*b*) running of passenger trains,
(*c*) running of good trains, and
(*d*) shunting.

2. Will the Government be pleased to lay on the table a statement showing the coals, described with reference to the collieries in which they are mined, which meet the requirements of each of the major Indian railways under each of the following heads :—

(*a*) running of mails and fast expresses,
(*b*) running of ordinary passenger trains,
(*c*) running of goods trains, and
(*d*) shunting.

3. (*a*) Is it a fact that the coal raised in the colliery of one State railway is used for another ? If so, will the Government furnish full particulars of all such recent instances in point ? Will the Government be pleased to state how the quota of each railway is determined when a colliery is jointly owned by two or three railway owners ?

(*b*) Is it a fact that the coal raised in collieries owned by State railways are used on the company-managed railways ? If so, will the Government furnish full particulars of such instances in point occurring within the last two years ?

4. Is it a fact that the B. B. & C. I. Railway constructed some special engines three or four years back to suit the consumption of second class coal thereon ? If so, will the Government please state wherein exactly lies the speciality of such locomotives ?

5. Have the Government now under contemplation any scheme of electrification of any section of any Indian railway ? If so, will the Government be pleased to state the full particulars of such scheme ?

6. Will the Government be pleased to say what is the amount of capital outlay so far made by the proposed Railway colliery in Talchur field and in Religari-dari ?

7. Will the Government be pleased to state what average price per ton was paid for coal purchased for the railways, the figure being worked out for each year from 1906-07 to 1926-27 ?

No. 1499/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *15th August*, 1927.

THE SECRETARY,
THE RAILWAY BOARD, SIMLA.

SIR,

Rates on Coal for Bombay.

I am directed to acknowledge receipt of your letter No. 1896-T, dated 27th May 1927, in which your Board express their inability to recommend any further reduction in the rates to Bombay on the ground that long-distance coal rates introduced last year were fixed at what at present appeared to be the lowest commercially possible rates.

2. My Committee are not satisfied that there is no room for reduction in the existing freight rates and they will feel much obliged if you will kindly favour them with your reasons for holding that the existing rates are " the lowest commercially possible rates." —I have, etc.,

T. MALONEY,
Secretary.

No. 1500/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 15*th August*, 1927.

THE SECRETARY,
INDIAN MINING FEDERATION, CALCUTTA.

SIR,

SUBJECT:—*Reduction of Coal Freight.*

I have to thank you for your letter No. CL.-130/21-22 of the 5th instant together with the enclosures referred to therein.

2. From the Railway Board's letter to the Association dated 27th May 1927, you must have seen that they express their inability to make a reduction in the existing rates on the ground that the long-distance coal rates introduced last year appeared to be the lowest commercially possible rates.

3. My Committee will feel obliged if you will kindly adduce statistics and other relevant facts to show that the existing rates are not "the lowest commercially possible rates."

4. On receipt of your reply the matter will be fully considered, and if necessary another representation will be made to the Railway Board.

5. The favour of an early reply will be appreciated.—Yours, etc.,

T. MALONEY,
Secretary.

CL. 130/21-22.

INDIAN MINING FEDERATION,
CALCUTTA, 20*th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Re.—Reduction of Coal Freight.

I beg to acknowledge the receipt of your letter No. 1500/89 of 15th August 1927 on the above subject and to thank you for your valuable suggestion. The letter will be placed before the Committee and their opinion will be duly forwarded to you.—Yours, etc.,

P. C. GHOSE,
Secretary.

No. 517-R.

INDIAN MINING ASSOCIATION,
CALCUTTA, *24th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Railway Freight to Bombay.

I am directed by the Committee to acknowledge the receipt of your letter No. 1337/89 dated 26th July 1927, which enclosed copy of correspondence which has passed between your Association and the Railway Board on the question of the railway freight charged on consignments of coal despatched from the collieries to Bombay. You state that the Committee of your Association consider the Railway Board's reply to your request for a reduction in the freight to be most unsatisfactory; but before pursuing the matter further you ask for an expression of the views of the Indian Mining Association regarding the advisability or otherwise of pressing for a reduction in the railway freight to Bombay at the present time.

2. Your letter under acknowledgment has now been before the Committee who direct me to say that the question of railway freight to Bombay and Karachi is one which has engaged, and is at the moment engaging, their attention. Some correspondence on the subject has passed with the Government of India in the Railway Department, and I enclose copies* for your information. You will observe therefrom that towards the end of 1926 the Committee approached Government with a suggestion that a rebate of Rs. 1-8 per ton in the freight from the collieries to Bombay and Karachi should be granted. In their reply Government regretted their inability to recommend the reduction, for reasons similar to those given in their letter to you. The Committee, however, could not accept the view taken by the Railway Board, and as you will observe from my copy letter No. 14-R, dated 5th January 1927, the Committee of the Association brought further arguments in favour of the suggested reduction to the notice of Government; in a letter dated 13th January 1927 they were informed that the matter was receiving consideration.

3. The question of a reduction in the railway freight to Bombay was also discussed with the Hon'ble Sir George Rainy, Member of the Viceroy's Executive Council, by a joint deputation from the Association and the Indian Mining Federation in April 1927. The Hon'ble Member then expressed himself as unable to give a considered reply but he promised that the question would be carefully considered.

4. The Committee still adhere to the view that a reduction in the freight to Bombay and Karachi is warranted and they have now enquired whether the Railway Board are yet in a position to furnish the Association with their considered views on the points raised by the Committee in their letter No. 14-R, dated 5th January 1927.

5. I am directed to say that the Committee will be glad to hear further from you on this subject.—Yours, etc.,

(Sd.) (Illegible,)
Assistant Secretary.

* Not printed.

No. 1896-T.

GOVERNMENT OF INDIA,
RAILWAY DEPARTMENT (RAILWAY BOARD),
SIMLA, *25th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Reduction in rates for Coal.

I am directed to acknowledge receipt of your letter No. 1499/89 of 1927, dated the 15th August 1927, on the subject quoted above, and to state that the matter is receiving attention.—I have, etc.,

B. MOODY,
For *Secretary, Railway Board.*

No. CL.-130/21-22.

INDIAN MINING FEDERATION,
CALCUTTA, *1st September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Reduction of Coal Freight.*

I am directed to refer to your letter No. 1500/89 of 1927 in which you requested the Committee to furnish your Association with relevant statistics tending to indicate that the last reduction in coal freight is not the lowest commercially possible one. While the Committee of the Federation thankfully received this request and gave their careful consideration to it, they do not consider it is possible to adduce statistical data of the character asked for. Indeed it has always been the view of the Committee that it is difficult as much to establish as to refute a statistical case for reduction based on cost of transportation and there is clear official admission on record on this point. What however the Committee would request your Association is that the Government of India should themselves be asked to present their detailed case against any further reduction in coal freight. Up till now the Federation has only generally pressed the view that a reduction in coal freight will stimulate the industrial demand for coal and that there is little chance of the railways having to face any serious loss in earning consequent on an effective reduction. The reduction of 10 per cent. effected in April 1926 has been too inadequate either to assist the industries or the coal freight. A clear light on the question will be thrown if the mill industry could state with precision the percentage which the fuel cost bears to the total cost of production per unit based, say, on the present ruling prices in Bombay.—Yours, etc.,

P. C. GHOSE,
Secretary.

No. 1896-T.

GOVERNMENT OF INDIA,
RAILWAY DEPARTMENT, (RAILWAY BOARD),
SIMLA, *3rd October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Reduction in rates for Coal.

In reply to your letter No. 1499/89 of 1927 of the 15th August last, I am directed to say that the Government of India after full consideration are of opinion that the existing freight rates on coal from the coalfields to Bombay are as low as in the present circumstances can be quoted in order to give a reasonable rate of profit to the railways and that any reduction of them would not, in the present circumstances, lead to such a development of traffic as would compensate railways for the loss in receipts caused by the reduction. These were the considerations in the mind of the Government of India when in their previous letter No. 1896-T, dated 27th May 1927, the existing rates were described as the lowest commercially possible rates.—I have, etc.,

B. MOODY,
For *Secretary, Railway Board.*

No. 632-R.

INDIAN MINING ASSOCIATION,
CALCUTTA, *20th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Railway Freight to Bombay.

I am directed to refer to my letter No. 517-R, dated 24th August 1927, on the question of railway freight to Bombay, in paragraph 4 of which it was mentioned that the Committee of the Association adhered to the view that a reduction in the freight to Bombay and Karachi was warranted and that they had enquired whether the Railway Board were yet in a position to furnish the Association with their considered views on the points raised by the Committee in their letter No. 14-R, dated 5th January 1927, a copy of which has already been handed to you.

2. I am now directed to enclose herewith a copy* of the Railway Board's reply. You will observe therefrom that the Government of India have not altered the view previously expressed by them, namely, that the existing freight rates to Bombay and Karachi are as low as can be quoted in order to give the railways a reasonable profit, and that any reduction would not lead to such a development of traffic as would compensate the railways for the loss in receipts caused by the reduction.

3. The Committee are of the opinion that further representations to the Railway Board will elicit no more satisfactory reply than that already received but they will be glad to receive any remarks which your Association may have to make on the subject. —Yours, etc.,

(Sd.) (Illegible),
Assistant Secretary.

No. 2390/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *6th December*, 1927.

THE SECRETARY,
INDIAN MINING ASSOCIATION, CALCUTTA.

SIR,

Railway Freights for Coal to Bombay.

I am directed to refer to your letter No. 632-R, dated 20th October 1927, forwarding a copy of the Railway Board's letter to you of the 3rd idem.

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* Not Printed.

2. This Association received an identical reply from the Railway Board and the view taken by my Committee was the same as the view taken by your Committee, viz., that further representations to the Railway Board would elicit no more satisfactory reply than the one already received.

3. I am now directed to draw your Committee's attention to the remarks made on this subject in the *Commerce* of 26th November 1927. It will be noticed that the *Commerce* characterises the reply of the Railway Board as "frivolous" and adduces some effective arguments to show up the untenable nature of the attitude adopted by the Railway Board. The *Commerce* suggests that your Association should get the Chambers of Commerce throughout India to join in your demand for reduction. In my Committee's opinion, this is an excellent suggestion and it would be very advisable for you to get the Associated Chambers of Commerce to adopt a resolution in favour of reduction of railway freights on coal from Bengal. My Committee trust this suggestion will meet with your approval.—Yours, etc.,

T. MALONEY,
Secretary.

No. 2398/89 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *7th December*, 1927.

THE SECRETARY,
INDIAN MINING FEDERATION, CALCUTTA.

SIR,

On 15th August 1927, this Association addressed you a letter drawing your attention to the fact that the Railway Board had informed the Association that the existing freight rates for coal were "the lowest commercially possible rates." You were requested to adduce statistics and arguments whereby the contention of the Railway Board might be controverted.

2. By your letter of 1st September 1927, you informed this Association that your Committee considered it was not possible to adduce statistical data of the character asked for, and that the Government of India should themselves be asked to present their detailed case against any further reduction in coal freight.

3. My Committee accordingly addressed a further communication to the Railway Board, and I enclose herewith a copy of the reply received from the Railway Board on the 3rd of October, in which it is contended that the existing freight rates are as low as in the present circumstances can be quoted in order to give a reasonable rate of profit to the railways and that any reduction of these would not, in the present circumstances, lead to such a development of traffic as would compensate for the loss in receipts caused by the reduction.

4. My Committee thought at the time that no useful purpose would be served by making another representation to the Railway Board.

5. Recently my Committee's attention has been drawn to certain remarks in the *Commerce* of 26th November 1927, from which it appears that the Indian Mining Association got an identical reply from the Railway Board, and this reply has been characterized by the *Commerce* as "frivolous." The *Commerce* has advanced certain effective arguments to show up the untenable nature of the attitude adopted by the Railway Board. It appears to my Committee that this matter should be pressed further, but they are sceptical as to the advisability of making another representation to the Railway Board. They think it would be most advisable for you to move the Federation of Indian Chambers and to get a resolution in favour of reduction adopted at the next session of the Indian Industrial and Commercial Congress to be held in Madras. My Committee have also suggested to the Indian Mining Association the advisability of having a resolution adopted by the Associated Chambers of Commerce.

6. My Committee trust the above suggestion will meet with your approval and that resolutions by the Industrial and Commercial Congress and the Associated Chambers of Commerce will have the desired effect on the Railway Board.—Yours, etc.,

T. MALONEY,
Secretary.

Extract from the " Commerce " dated 26th November, 1927.

RAILWAY FREIGHT REDUCTION.

The Indian Mining Association at their meeting held on October 17 last, dealt with the question of a reduction of railway freight from the coalfields to Bombay and Karachi. In the proceedings of the Committee meeting held on August 15, 1927, reference was made to the correspondence which had passed with the Bombay Millowners' Association on the question of railway freight to Bombay. It will be recalled that the Committee then decided to forward to the Millowners' Association copies of the correspondence on the same subject exchanged between this Association and the Government of India, Railway Department (Railway Board), at the end of last year and to enquire whether the Railway Board had yet come to a definite decision on the question of the reduction of Rs. 1-8 per ton in the railway freight to Bombay and Karachi which the Committee had suggested for favourable consideration. A reply dated October 3, 1927, had since been received from the Railway Board intimating that Government saw no reason to alter the opinion already expressed, namely, that the existing freight rates to Bombay and Karachi are as low as can be quoted in order to give the railways a reasonable profit and that any reduction would not lead to such a development of traffic as would compensate the railways for the loss in receipts caused by the reduction. The Committee were of the opinion that further representation to the Railway Board would elicit no more satisfactory reply than that already received and they decided to forward a copy of the Railway Board's letter to the Bombay Millowners' Association expressing this opinion but stating that they would be glad to receive any further remarks which the Millowners' Association might have to make on the subject.

A FRIVOLOUS REPLY.

The Railway Board's reply to this most serious question is frivolous. If we remember correctly they advised Sir Charles Innes to make a statement in the Assembly that if a 10 per cent. reduction was given in the freight on coal, then a loss of about rupees thirty lakhs would be incurred. Anyway, the 10 per cent. reduction was given and Sir Charles Innes had to admit to the Assembly that within a period of three months an increase of rupees eight lakhs was shown. This was proof after a practical test and in the same way we contend that the Railway Board is not in a position at this stage to say " that the existing freight rates to Bombay and Karachi are as low as can be quoted in order to give the railways a reasonable profit." To commence with, the present coal freight is not at the minimum and whether it can be further reduced can only be decided on a practical test. The contention is that about 600,000 tons of coal are carried to Bombay and Karachi by sea, whether from Calcutta or Africa and if the reduction of Rs. 1-8 per ton on the railway freight is allowed it would check the imports from Africa. This is a point the Railway Board appear to entirely ignore in their calculations. If 600,000 tons of coal extra were to be carried by the railways, taking the carrying capacity of a wagon at 18 tons and the present rate of freight at Rs. 13-12 per ton, the railways would earn Rs. 74,25,000. The rebate of Rs. 1-8 per ton would reduce these earnings by Rs. 5,40,000, so that the revenue would be Rs. 68,85,000. If the running cost per ton per mile is worked out and deducted from this amount of revenue the surplus would be considerable on the credit side. Under the circumstances it should be considered if the Railway Board are justified in refusing the request of the Indian Mining Association for the reason they have given, and the Indian Mining Association should get the Chambers of Commerce throughout India to join them in their further demand for this reduction. What we really want to know is, if the railways carried the amount of coal now imported from Africa, from the Bengal coalfields to Bombay and Karachi, would they lose money ? In our opinion it is extremely doubtful that any serious loss would be incurred.

APPENDIX 61.

PACKING CONDITIONS FOR INDIAN-MADE PIECEGOODS.

No. 2199/188 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *14th November*, 1927.

THE GENERAL TRAFFIC MANAGER,
THE B. B. & C. I. RAILWAY CO., BOMBAY.

SIR,

My Committee understand that you propose to introduce certain alterations in the packing conditions for Indian mill-made goods. If my Committee's information be correct, will you kindly state what alterations are proposed to be made ?—Yours, etc.,

T. MALONEY,
Secretary.

No. R-196/24 of 1927.

B. B. & C. I. RAILWAY CO.,
BOMBAY, *17th November*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

Your letter No. 2199/188 *of 14th November*, 1927.

I enclose copies of correspondence exchanged with the Ahmedabad Millowners' Association. Will you kindly let me know what inside packing condition you suggest for Indian-made piecegoods in boxes or cases.—Yours, etc.'

(Sd.) (Illegible),
Acting General Traffic Manager.

Copy of letter No. R-196/24, dated Bombay, 22nd October, 1927, from the General Traffic Manager, B. B. & C. I. Railway, to the Secretary, Millowners' Association, Ahmedabad.

I enclose an extract from the Goods Tariff showing the packing conditions attached to piecegoods carried by rail, and you will observe therefrom that there is no packing condition at present provided in the Goods Tariff for Indian made piecegoods packed in boxes or cases. As consignments of cloth and hosiery packed in cases are being booked from Ahmedabad by the Fine Mills, it is proposed to impose the following packing conditions for Indian-made piecegoods when sent in boxes or cases, i.e., the same conditions as apply to imported piecegoods in boxes or cases :—

(1) Boxes or cases must not be covered with gunny and must either be tin-lined or the contents must be covered with thick paper and waterproof pitch paper. A declaration that the packing is in accordance with these conditions must be entered on the consignment note by the consignor.

(2) Each box or case must bear the name of the consignee and the station of destination in English or vernacular, in addition to the private marks required by Rule 18 of the General Classification of Goods, before it is despatched by rail.

I shall be glad to be favoured with your remarks on this proposal.

CHAPTER VII.

Special conditions for packing or carriage applicable to certain commodities entered in the General Classification of Goods.

SECTION I.

The following are the packing conditions laid down for certain articles. If these conditions are not fulfilled, the article in question can only be accepted for carriage if Risk Note Form A is executed.

These packing conditions are applicable to consignments booked either at Owner's risk or Railway risk, viz., if booked at Railway risk rates Form A must be executed by the senders but if at Owner's risk rates both Forms A and B or H must be executed.

Reference No. used in Chapter III.	Special packing conditions.
P/19	Imported piecegoods, cotton or woollen, in bales, press-packed. (1) Must be bound with iron bands and packed in thick paper, then waterproof pitch paper and finally covered with double canvas. A declaration that the packing is in accordance with these conditions must be entered on the Consignment Note by the consignor. (2) Each bale must bear the name of consignee and station of destination in English or vernacular, in addition to the private marks required by Rule 18 of the General Classification of Goods, before it is despatched by Rail. Imported piecegoods, cotton or woollen, packed in boxes or cases. (1) Boxes or cases must not be covered with gunny and must either be tin lined or the contents must be covered with thick paper and waterproof pitch paper. A declaration that the packing is in accordance with these conditions must be entered on the Consignment Note by the consignor. (2) Each box or case must bear the name of the consignee and the station of destination in English or vernacular, in addition to the private marks required by Rule 18 of the General Classification of Goods, before it is despatched by rail. *Bazaar-packed bales of Piecegoods.* Consignments of bazaar-packed bales of piece-goods are accepted at Railway risk, only when the following conditions are fully complied with, otherwise these consignments are accepted at Owner's risk only, under Risk Note Form A:— (1) Bazar-packed bales of piecegoods, irrespective of size or weight, must be tightly secured with iron bands, and the space between the edges of such iron bands must not exceed five inches in width. These iron bands will be secured in two directions round the bales, namely, lengthwise and breadthwise. (2) The outer gunny covering of the bale must be securely stitched. (3) Each bale must have the name of consignee and the station of destination clearly painted on it.

Exceptions.—In addition to above, the following conditions are also in force over the B. B. & C. I. Railway Company's system :—

Piecegoods.—Piecegoods, thread, yarn and twist (cotton, woollen, flax, hemp, silk or mixed with silk), tendered for despatch in bales or bundles must *from 1st June to 30th September in each year* be packed in waterproof cloth, tarpaulin, or other covering capable of keeping out water. Otherwise these consignments must be accepted at Owner's risk only under Risk Note Form A. A declaration that the packing is in accordance with these conditions must be entered on the Consignment Note by the consignor. Bales or bundles tendered for despatch between 1st October and 31st May need not be so packed.

Each bale or bundle must have the name of consignee and station of destination inscribed on it in English or vernacular, in addition to private marks required by Rule 18 of the General Classification of Goods, before it is despatched by rail.

Copy of letter No. 1488/27 of 9th November, 1927, from the Joint Honorary Secretary, the Ahmedabad Millowners' Association, to the General Traffic Manager, B. B. & C. I. Railway, Bombay.

I am to acknowledge receipt of your letter No. R. 196/24, dated the 22nd October 1927, inviting our observations on the proposal to impose the two packing conditions, contained in your letter, for Indian-made piecegoods when sent in boxes or cases.

In reply I am to say that the conditions which are applicable to imported piecegoods in boxes or cases should not be made applicable to Indian mill-made piecegoods which are sent to different districts by rail. It is difficult to pack the contents with tin-lined cases or to cover them with waterproof pitch paper. Packing conditions which are considered necessary during transport by ocean should in no case be made applicable to the consignments of cotton manufactures intended for transport by rail-roads in this country. We have no objection to clause 2 of your letter.

No. 2491/188 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *19th December*, 1927.

THE ACTING GENERAL TRAFFIC MANAGER,
THE B. B. & C. I. RAILWAY. CO., BOMBAY.

SIR,

With reference to your letter No. R. 196-24, dated 17th November 1927, and the enclosures thereto, I am directed to state that in my Committee's opinion it is not right or fair to impose in the case of Indian mill-made piecegoods packed in cases or boxes the same packing conditions that are applicable in the case of imported goods. The latter have to bear more handling and more risk of damage than Indian mill-made goods meant to be transported by railroads to different parts of the country, and it would entail an unnecessary burden on cotton mills if the same conditions were to be made applicable to Indian mill-made goods packed in cases or boxes as are enforced in respect of imported goods.

In my Committee's opinion, tin lining is not at all necessary in the case of Indian mill-made goods, and the interests of the mills as well as the railways would be amply safeguarded, if the goods were covered with one sheet of water proof paper, and there were two iron bands round outside of each case.

My Committee recommend that the above conditions might be laid down in the case of Indian mill-made goods packed in cases or boxes.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 62.

PURCHASE OF PIECEGOODS BY THE GOVERNMENT OF BOMBAY.

No. 1049/128 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *22nd June*, 1927.

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
GENERAL DEPARTMENT, BOMBAY.

SIR,

My Committee would esteem it a favour if you could supply them with information as to the extent of the Government of Bombay's purchases of cotton twills and drills of non-Indian manufacture during the last financial year and from the end of the last financial year up to the present date, and similar figures showing the quantities and values of purchases of Indian goods of similar texture for the same period. It has been stated that the Government of Bombay have recently purchased considerable quantities of twills and drills which could very easily, and with great advantage, have been manufactured in the cotton mills of the Presidency, and my Committee would like to ascertain whether this is a fact.

A very early reply would be much appreciated.—I have, etc.,

T. MALONEY,
Secretary.

No. 3052/9780-C.

GENERAL DEPARTMENT,
BOMBAY CASTLE, *16th August*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Cloth—Purchase of—of Indian and non-Indian Manufacture for Government purposes—Information regarding extent of.*

With reference to your letter No. 1049-128, dated the 22nd June 1927, I am directed by the Governor in Council to say that it is not possible to supply complete information regarding the extent of the purchases of cloth of Indian and non-Indian manufacture made for Government purposes, as the amounts spent on any particular cloth are not recorded separately by many of the officers. It has, however, been ascertained from the Superintendent of Government Printing and Stationery, who is responsible for supplying a large proportion of Government requirements in cloth, that the total quantity purchased by him during the year 1926-27 was 20,547 yards of which 19,947 yards were of Indian manufacture. For the current year all the supplies contracted for by him will be entirely of Indian manufacture.

2. I am in this connection to invite attention to the rules for the purchase of stores issued in Government Notification No. 356, dated the 16th December 1926, and to observe that no purchases of cloth of non-Indian manufacture are now allowed except with the previous sanction of Government. In special circumstances when the required quality of cloth of Indian manufacture cannot be obtained as urgently as necessary or when its price is much higher than the corresponding quality of non-Indian manufacture, permission has to be granted for the purchase of cloth of non-Indian manufacture.—I have, etc.,

(Sd.) ILLEGIBLE,
For *Under Secretary to the Government of Bombay.*
General Department.

No. 1880/128 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *12th October*, 1927.

THE UNDER SECRETARY TO THE GOVERNMENT OF BOMBAY,
GENERAL DEPARTMENT, BOMBAY.

SIR,

Purchase of Cloth for Government Purposes.

I have the honour to acknowledge receipt of your letter No. 3052/9780-C, dated 16th August 1927.

2. What my Committee wanted to know was the total quantity of cloth purchased by Government, and how much of it was of Indian manufacture and how much of non-Indian manufacture. The total quantity purchased by Government must obviously be more than the figures given by the Superintendent of Government Printing and Stationery, and my Committee will be pleased to have at least an approximate idea of the quantity of Indian and non-Indian goods purchased by Government, if it be not possible to give the exact figures.

3. You are doubtless aware that the Government of India issue every six months a statement of their purchases of Indian manufactured cloth and of cloth of foreign manufacture, giving reasons in the latter case for the purchase of foreign cloth instead of cloth made in India. My Committee are of the opinion that it would be very advisable on the part of the Government of Bombay to follow this practice and issue statements every six months showing the quantity of Indian and foreign cloth purchased by them, and giving reasons in each instance for purchase of foreign cloth.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 63.

KHAKI PUGRI CLOTH.

No. G-2336 of 1927.

THE INDIAN MERCHANTS' CHAMBER,
BOMBAY, *17th October*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed to send to you herewith a copy of a letter written to the Government of India, Department of Industries and Labour, regarding the purchase of cambric, cotton khaki pugri outside India. It will be seen from the same that the pugri cloth was indented from abroad on the plea that it was required very urgently and that there was a shortage of the cloth in factories in India. My Committee will be obliged if you will be good enough to let them know after making enquiries whether there was any shortage of that article in this country when the same was required by the Government.—Yours, etc.,

J. K. MEHTA,
Secretary.

Copy of letter No. G. 2315, dated 15th October 1927, from the Secretary, the Indian Merchants' Chamber, to the Secretary to the Government of India, Department of Industries and Labour, Simla.

SUBJECT:—*Purchase of Cambric, Cotton, Pugri, Khaki and Socks—Non-acceptance of Lowest Tenders for—.*

I am directed by the Committee of this Chamber to draw your attention to the item of cambric, cotton, pugri, khaki and socks, in the abstract of half-year ending 31st December 1926, of cases in which the lowest tenders were not accepted. The explanation given for the pugri, khaki was that the indentor cabled for a very early supply in view of the shortage in the factories in India. For the purchase of 150,000 pairs of socks it was also stated that they were urgently required in India.

My Committee fail to see why there was any urgency about the supply of these articles. In times of peace these requirements should have been foreseen and as such there appears to be no justification whatsoever for the acceptance of the higher tenders on the hackneyed ground of "urgent necessity." The indenting officers have so often been found insisting upon "urgent and early deliveries" of such articles as are mentioned above. They are constrained to observe that such peremptory calls have been in the past, and still continue to be, responsible for the Indian Stores Department, London, not buying the goods indented from the most economical markets.

My Committee, therefore, will be much obliged if the Government will be pleased to explain why the articles under reference were asked for urgently by the indenting officers, as also inform them of the steps they intend to take to put a stop to such unnecessary waste of public funds.—(Sd.) J. K. MEHTA.

No. 2144/183 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *8th November*, 1927.

THE SECRETARY,
THE INDIAN MERCHANTS' CHAMBER, BOMBAY.

DEAR SIR,

In reply to your letter No. G. 2336 dated 17th October 1927, I am directed to inform you that Indian mills were really short of the cotton khaki pugri of the quality required by Government. English suppliers carried stocks at very low rates and as they could give delivery at once at prices 25 per cent. to 40 per cent. cheaper than Indian goods, the order went to England. It appears that Government are making a very serious attempt to buy in India, for several mills have been asked to carry stocks of standard qualities. My Committee understand that since the order complained of by you, every order for this cloth has been placed in India.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 64.

PROPOSED INTRODUCTION OF THE MESSAGE RATE SYSTEM OF TELEPHONE CHARGES IN BOMBAY.

No. 5136-G/24.

REVENUE DEPARTMENT,
BOMBAY CASTLE, *21st January*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT:—*Telephone.—Message Rate System of Charges.—Appointm nt of a Committee to consider the scale of rates to be applied in Bombay under the,.—*

With reference to the correspondence ending with your letter No. 1856-159, dated 30th October 1926, I am directed by the Governor in Council to state that the Government of India, in consultation with the Government of Bombay, have accepted the principle of the message rate system of telephone charges for Bombay. With the object of considering the question of the scale of rates to be applied under the new system, the Governor in Council, with the concurrence of the Government of India, has decided to appoint a Committee composed as shown below:—

Chairman.

The Honourable the Revenue Member of the Executive Council.

Members.

The Postmaster-General, Bombay Circle.
The Deputy Chief Engineer, Telephones.
The Executive Engineer, Presidency Division.
A representative of each of the following bodies, *viz.*,—
The Chamber of Commerce, Bombay.
The Indian Merchants' Chamber, Bombay.
The Millowners' Association, Bombay.
The Bombay Telephone Company, Limited.

The Executive Engineer, Presidency Division, will discharge the duties of Secretary to the Committee. The first meeting of the Committee will be held in the office room of the Honourable the Revenue Member in the Civil Secretariat, Bombay, at 12 noon on Tuesday the 8th February, 1927.

2. I am to request that steps may be taken to nominate a member to represent your Association on the Committee and that the name of the gentleman selected may be communicated for the information of Government.—I have, etc.,

J. R. DAVAR,
For *Deputy Secretary to the Government of Bombay, Revenue Department.*

No. 199/47 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th January*, 1927.

LALJI NARANJI, ESQ.,
BOMBAY.

DEAR SIR,

Re. Message Rate System of Telephone Charges.

As you are aware the Government of India, in consultation with the Government of Bombay, have accepted the principle of the message rate system of telephone charges for Bombay. The Governor in Council, with the concurrence of the Government of India, has decided to appoint a Committee, to consider the question of the scale of rates to be applied under the new system, and they have invited the Association to depute a representative to act on this Committee. The Committee of the Association at their meeting yesterday elected you for this purpose, provided you have not already been elected on behalf of the Indian Merchants' Chamber, in which case the Committee will appoint another member to represent the Association. Will you kindly let me know per return whether you have been appointed by the Indian Merchants' Chamber to act as their representative on the Committee referred to above ?—Yours, etc.,

T. MALONEY,
Secretary.

No. 251/47 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st February*, 1927.

LALJI NARANJI, ESQ.,
BOMBAY.

DEAR SIR,

Re. Message Rate System of Telephone Charges.

With reference to my letter of the 26th ultimo and your firm's reply thereto of the same date, I hope you will kindly act as the Association's representative on the Committee appointed by the Government of Bombay. On receipt of your reply, I will write and inform Government.

From the enclosed copy of Government's letter* you will notice that the first meeting of the Committee will be held in the office room of the Hon'ble the Revenue Member in the Civil Secretariat, Bombay, at 12 noon on Tuesday, the 8th instant.

To-day, the Executive Engineer, Presidency Division, P.W.D., has forwarded the Association a copy of a letter received by him from the Secretary, Bombay Telephone Company, which is reproduced below for your information :—

> " I have the honour to suggest that it may be of interest to members of the Committee—and indeed it may possibly assist them in their deliberations—if they take an opportunity of inspecting the Company's Exchange at the Telephone Building, Bombay, at their convenience, before the Committee meets.
>
> Almost any time will be convenient, and if any members of the Committee will either write or telephone for an appointment it will be gladly given."—Yours, etc.,

T. MALONEY,
Secretary.

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* Already printed.

BOMBAY, *2nd February*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR SIR,

With reference to your letter dated the 1st instant, I shall act as the Association's representative on the Committee appointed by the Government in regard to the message rate system of telephone charges.

I note that the first meeting of this Committee will be held in the Secretariat on Tuesday, the 8th instant, at 12 noon, which time suits me.—Yours, etc.,

LALJI NARANJI.

No. 285/47 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *7th February*, 1927.

THE DEPUTY SECRETARY TO THE GOVERNMENT OF BOMBAY,
REVENUE DEPARTMENT, BOMBAY.

SIR,

Message Rate System of Telephone Charges.

With reference to your letter of the 21st ultimo, I have the honour to state that my Committee have appointed Mr. Lalji Naranji to act as the Association's representative on the Committee appointed by Government to consider the question of the scale of rates to be applied under the message rate system of telephone charges.—I have, etc.,

T. MALONEY,
Secretary.

No. 284/47 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *7th February*, 1927.

THE EXECUTIVE ENGINEER,
PRESIDENCY DIVISION, BOMBAY.

SIR,

SUBJECT:—*Telephone.—Committee appointed by the Governor in Council to consider the scale of rates to be applied in Bombay.*

I have the honour to acknowledge receipt of your letter No. 807, dated 31st January 1927, giving cover to a copy of a letter received by you from the Telephone Company. A copy of the letter from the Telephone Company has been duly forwarded to Mr. Lalji Naranji, the Association's representative on the Committee appointed by Government.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 65.

EXHIBITS FOR THE INDIAN GALLERY OF THE IMPERIAL INSTITUTE.

No. 3741 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *1st March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Exhibits for the Indian Gallery of the Imperial Institute.*

I am directed to say that the Central Cotton Committee have received from the Indian Trade Commissioner a request for assistance in securing samples of agricultural products for the Indian Gallery of the Imperial Institute.

2. The following extracts from the letter from the Indian Trade Commissioner illustrate the general rearrangement of the Institute which is now taking place :—

"I am directed by the High Commissioner for India to address you on the subject of the exhibits in the Indian Gallery of the Imperial Institute.

2. As you are doubtless aware, the Institute was founded in South Kensington as the National Memorial of the Jubilee of Queen Victoria, by whom it was opened in May 1893. The principal object of the Institute is to promote the utilization of the commercial and industrial resources of the Empire by displaying and illustrating the natural products of the Dominions, India and the Colonies; and also by collecting and disseminating scientific, technical and commercial information relating to the Empire's raw materials. The economic products of the overseas parts of the Empire are arranged in a series of galleries, each of which represents one of the Dominions, or a convenient group of colonies.

3. As a result of discussions at the Imperial Economic Conference of 1923, it was decided to re-organize and bring up to date the exhibits in these galleries, while at the same time, the directorate of the Institute was also strengthened and brought under the control of the Department of Overseas Trade of H. M. Government.

4. With the approval of the High Commissioner for India, and at the request of the Director of the Institute, I have made a careful survey of the Indian gallery, and have prepared a scheme for thoroughly overhauling and bringing up-to-date the Indian exhibits.

* * * *

(Detailed measurements omitted.)

6. * * * * *

The object is to display in the best possible way our cotton production and our cotton manufactures of the highest type. In Sir Atul Chatterjee's view the Imperial Institute, as now re-organized, is worthy of support. It is frequented, not merely by the general public, but also by schools and other educational institutions and the lectures given in the galleries are valuable from the educational point of view. It is only right that India's resources should be adequately represented in the gallery and Sir Atul Chatterjee would highly appreciate your co-operation towards this end."

3. Just before I left England last year I had an opportunity of seeing the Imperial Institute with Mr. Lindsay and the new Director showed me the excellent exhibits which had recently been arranged by some of the Dominions.

4. So far as raw cotton exhibits are concerned I am corresponding with Directors of Agriculture in the various provinces. Mr. Lindsay considers that to complete the exhibit specimens of the best Indian cotton manufactures should be shown. I have received particulars of the space available which is limited and am trying to work out a provisional scheme. So far as manufactured products are concerned Mr. Lindsay suggests specimens of cotton in the various stages of manufacture, yarns, different forms of manufactured cloths, rugs, etc., the object being to display cotton production and cotton manufacture of the highest type.

5. I think you are aware that originally an attempt was made to make the Imperial Institute a kind of commercial museum. This has now largely been abandoned and the present underlying idea is to make it more purely educative and generally illustrative of the resources of the Empire.

6. I am to ask if your Association can assist in providing the exhibits suggested and for suggestions as to what would be the most effective way of exhibiting the manufacturing side. I am to add that the Central Cotton Committee is not able to spend money from cotton cess funds on this object and that the Government of India have not allocated any funds for the purchase of exhibits. Those exhibits which I hope to obtain from the various Agricultural Departments I expect to obtain free.

I trust your Association will be able to assist me in complying with the Indian Trade Commissioner's request. I should be glad to give you any further information required on hearing from you.—I have, etc.,

B. C. BURT,
Secretary.

No. 570/79 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *24th March*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

I am directed to acknowledge the receipt of your letter No. 3741, dated 1st March 1927, on the subject of India's exhibits in the Indian Gallery of the Imperial Institute. My Committee agree with Sir Atul Chatterjee that cotton manufactures of the highest type produced in India should find a prominent place in the Institute. You are of course aware that the productions of Indian mills are chiefly utilitarian and would for this reason be quite unsuitable for display in the Indian Gallery, but there ought to be a place for the finer and more artistic goods produced on the hand looms of the country, and my Committee would therefore suggest that the assistance of all provincial Governments should be solicited in collecting together a representative set of samples of fine hand loom fabrics for despatch to the Imperial Institute.—I have, etc.,

T. MALONEY,
Secretary

No. 4425 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *28th March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Exhibits for the Indian Gallery of the Imperial Institute.*

I have the honour to acknowledge, with thanks, your letter No. 570/79, dated the 24th of March 1927, and am greatly obliged to your Committee for their suggestion, and the Local Governments will be addressed in regard to samples of fine handloom fabrics.

If you will refer again, however, to Mr. Lindsay's letter, you will see that he contemplates including not only Indian art manufactures but also the more utilitarian items, and he asks for samples of yarn, cotton in different stages of manufacture and samples of the different types of cloth. I should be obliged if you would let me know how far your Committee is able to assist me in obtaining these.—I have, etc.,

B. C. BURT,
Secretary.

No. 611/79 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *30th March*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

SUBJECT :—*Exhibits for the Indian Gallery of the Imperial Institute.*

With reference to your letter No. 4425 of 28th March 1927, I have the honour to state that from the 4th para of your letter of the 1st instant, it appears that Mr. Lindsay's object is " to display cotton production and cotton manufacture of the highest type." You are aware that all the goods manufactured by Indian mills are of the " bread and butter " type, but if you can show my Committee that a useful purpose would be served by displaying them at the Exhibition, I have no doubt that a satisfactory collection could be got together though they would of course compare very unfavourably with the finer products of Lancashire spindles and looms.—I have, etc.,

T. MALONEY,
Secretary.

No. 4514 of 1927.

INDIAN CENTRAL COTTON COMMITTEE,
BOMBAY, *1st April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Exhibits for the Indian Gallery of the Imperial Institute.*

In reply to your letter No. 611/79, dated the 30th of March 1927, I can only say that at my personal discussion with the Indian Trade Commissioner and the Director of the Imperial Institute both considered that suitable specimens of goods manufactured in Indian mills are necessary to complete the exhibit. The object is to give a broad general idea of the cotton industry of India including both growing and manufacture, and to exhibit only the raw material and handloom products would give an entirely incorrect impression of India's position in the cotton world. I trust, therefore, that your Committee will agree to assist me in obtaining a satisfactory collection.—I have, etc.,

B. C. BURT,
Secretary.

No. 1317/79 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st August*, 1927.

To

E. D. SASSOON UNITED MILLS, LTD.
THE NEW CITY OF BOMBAY MANUFACTURING CO., LTD.
THE STANDARD MILLS, LTD.
THE SIR SHAPURJI BROACHA MILLS, LTD.
THE SIMPLEX MILLS, LTD.
THE FINLAY MILLS, LTD.
THE CENTRAL INDIA SPINNING, WEAVING & MANUFACTURING CO., LTD.
THE MORARJI GOCULDAS SPINNING & WEAVING CO., LTD.
MESSRS. CURRIMBHOY EBRAHIM AND SONS, LTD.
THE CENTURY MILLS, LTD.

DEAR SIRS,

At the request of the Indian High Commissioner and the Indian Trade Commissioner in London transmitted through the Indian Central Cotton Committee, the Association recently consented to attempt to collect from the members of the Association a representative set of samples of the manufactures of Indian mills which will form the nucleus of a permanent exhibit of Indian agricultural and manufactured products at the Indian Gallery of the Imperial Institute in London.

In addition to cotton manufactures the exhibition will include representative displays of the products of all the other prominent industries in the country, and in order that the cotton trade's exhibit may be worthy of the most important industry in India every effort is being made to send an absolutely representative set of samples to the High Commissioner.

Your mills are well known for the types of goods specified in the enclosed statement and I have been asked if you will be good enough to send to me for inclusion in the exhibition representative samples of these goods. The number of samples required in each case is also shown in the enclosed statement.

A very early reply to this letter will be much appreciated.—Yours faithfully,

T. MALONEY,
Secretary

Statement Showing the Nature of Exhibits Called for from Members in connection with the Indian Gallery of the Imperial Institute.

Names of Mills.	Names of Goods called for.	Quantity of Samples called for.
E. D. Sassoon United Mills, Ltd :—		
Jacob Sassoon Mills. ..	Hosiery Yarn on Cones	6 Cones.
	Blankets	Half a doz. 6-yard lengths.
Alexandra Mills	Government Khaki & Blue Drills.	Half a doz. 6-yard lengths.
Rachel Sassoon Mills. . ..	Palm Beach Suitings Styles ..	Half a doz. 6-yard lengths.
	Check Blankets.	Do. do. 6-yard lengths.
New City of Bombay Manufacturing Co., Ltd.	Ordinary Reeled yarns and Two-fold yarns	6 Knots in each case.
Standard Mills	Printed Shirtings	Half a doz. 6-yard lengths.
	Turkish Towels	4 different kinds.
Sir Shapurji Broacha Mills ..	Jacquard Bedspreads	4
Simplex Mills	Silk Jacquard	4 pieces—24 yards.
	Dobby Silk	2 ,, 12 ,,
	Silk Saree Jacquard	1 piece 6 ,,
	Do. do.	1 ,, 6 ,,
	Tin tin	1 ,, 6 ,,
	Tin tin Check	1 ,, 6 ,,
	Striped Alpaca	1 ,, 6 ,,
	Check Jaffer Silk	1 ,, 6 ,,
	Dobby Silk Weft	1 ,, 6 ,,
	Do. do.	1 ,, 6 ,,
Finlay Mills	X-quality Shirtings	Half a doz. 6-yard lengths.
	Check Cholas	Do. 6-yard lengths.

Central India Spinning, Weaving and Manufacturing Co., Ltd.		Cypher No.	Length in yards.	Width in inches
	Dhoties :—1.	306	10	39
	2.	653	10	44
	3.	674/4	10	40
	4.	0707/5	7	30
	5.	902/12	10	44
	6.	S/303.	5	44
Morarji Goculdas Spinning and Weaving Co., Ltd.	Saris		4 Saris—2 in different colours.	
Currimbhoy Ebrahim and Sons, Limited.	Carpet		1	
	J. C. Chaddar		1	
	Blankets		3	
	Flannette No. 813.		5 pieces—6-yard lengths.	
	Flannette No. K2..		1-piece—6 do.	
	Sholapur & Thana cloth. ..		6-yard lengths.	
	Dyed Longcloth			
	Shirting			
	Checks and Susis			
Century..	Calcutta Sari		One sample each.	
	Bl. Striped Susi		Do.	
	Check		Do.	

No. 2276/79 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *23rd November*, 1927.

THE SECRETARY,
THE INDIAN CENTRAL COTTON COMMITTEE, BOMBAY.

SIR,

Exhibits for the Indian Gallery of the Imperial Institute.

I am directed by the Committee of the Association to invite your attention to your letter No. 3741 of 1st March 1927, requesting this Association's assistance in securing samples of Indian mill-made piecegoods and yarn for exhibition in the Indian Gallery of the Imperial Institute, London, and to hand you herewith one box containing samples as per attached list which may kindly be forwarded to London.

I am also to express my Committee's hope that you will instruct the authorities concerned at home to ensure that the samples forwarded are effectively displayed. —I have, etc.,

T. MALONEY,
Secretary.

List of Exhibits for the Indian Gallery of the Imperial Institute.

1.	Turkish Bath Towels	3 pieces.
2.	Check Cholas	1 piece.
3.	Dhoties	6 pieces.
4.	Saris	4 ,,
5.	Calcutta Sari	1 piece.
6.	Jacquard Bed Sheets	4 pieces.
7.	Art. Silk Jacquard Sarees	2 ,,
8.	Printed Shirtings	18 ,,
9.	Cotton Dhury	1 piece.
10.	Cotton Blankets	3 pieces.
11.	Tinted Flannelettes	6 ,,
12.	Artificial Silk Shirtings	14 ,,
13.	Dyed and Fancy Shirtings	22 ,,
14.	Grey Shirtings	2 ,,
15.	S. Reeled Yarn	7 cases*.
16.	Khaki Bleached Blue Drill	11 pieces
17.	Khaki and Bleached Twill	2 ,,
18.	Pagdies, Khaki, Red, Green and Blue	5 ,,
19.	Bleached Dobby Shirting Art. Silk	5 ,,
20.	Art. Silk Jacquard Cloth	2 ,,
21.	Imitation Art. Silk Knitted Fabric	1 piece.
22.	Art. Silk Striped Tassore	1 ,,

Note.—* Knots each of counts 30s, 22s, 24s, 20s, 2/20s, and 2/10s and 10s.

APPENDIX 66.

REFUSAL OF ADMISSION TO THE FIRE BRIGADE STAFF IN MILLS.

No. F/1601/C of 1926-27.

BOMBAY MUNICIPALITY,
BOMBAY, *10th March*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I regret to have to bring to your notice that the Municipal Fire Brigade have on several occasions during the past few months when responding to calls of fire in certain mills in Bombay been refused admittance to the premises or have only been able to gain admission after much altercation with the staff and consequent delay.

It is not inferred for a moment that this action is intentional or in any way due to the orders of superior officers of the establishments but is presumably the result of the junior staff misconstruing orders to close gates, etc., undoubtedly necessary on such occasions.

That your Association is fully alive to the danger of fire in cotton mills and the benefits of a properly organized and efficient fire brigade is perfectly obvious by the fact that quite recently your Association requested me to direct the officers of the Municipal Fire Brigade to visit the numerous mills in Bombay and acquaint themselves with the various appliances and special risks attached.

As a result of these visits much valuable information has been gained by the brigade officers and armed with this information invaluable services can be rendered by them. I feel sure then that you will agree that to hamper the Fire Brigade staff, as has been done on the several occasions referred to, apart from rendering those responsible for such actions guilty of an offence under Section 361 of the City of Bombay Municipal Act and Section 186 of the Indian Penal Code, is only to jeopardize much valuable property unnecessarily.

Might I, therefore, request you to be good enough to place this matter before your Association at an early date with a view to the responsible officers being made acquainted with these facts and directed to give every facility to the brigade no matter how small the fire may be and whether it has already been extinguished or not.—I have, etc.,

H. B. CLAYTON,
Municipal Commissioner.

No. 566/78 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *24th March*, 1927.

THE MUNICIPAL COMMISSIONER FOR THE CITY OF BOMBAY,
BOMBAY.

SIR,

I am directed to acknowledge the receipt of your letter F/1601/C, dated 10th March 1927, regarding the non-admission, etc., of the Municipal Fire Brigade to mill premises, and in reply to inform you that the attention of mills will be drawn to the necessity of granting every facility to the Fire Brigade in future.

It is regretted that you should have had any grounds for a complaint of the nature indicated in your letter.—I have, etc.,

T. MALONEY,
Secretary.

No. 565/77 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *24th March*, 1927.

To

ALL MILLS IN THE CITY AND ISLAND OF BOMBAY.

SIRS,

A complaint was recently received by the Association in which it was asserted that after responding to fire calls from mills, the Fire Brigade had on arrival in certain cases been refused admittance to the mill premises or had been only able to gain admission after much altercation with the mill staff.

In view of the serious penalties to which mills are liable for offences of this nature the Committee of the Association are surprised that any mill should have adopted a policy which gave cause for a complaint of the nature indicated in the Commissioner's letter and I am directed to request that all mill agents will issue instructions to their mill staff to grant every possible facility to the Fire Brigade in the future.—Yours, etc.,

T. MALONEY,
Secretary.

No. F/34/C of 1927-28.

BOMBAY MUNICIPALITY,
BOMBAY, *13th April*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I thank you for your letter No. 566-78 of the 24th ultimo and for the action you have been good enough to take in the matter which I feel sure will have the desired effect. —I have, etc.,

H. B. CLAYTON,
Municipal Commissioner.

APPENDIX 67.

MONEY ORDERS SENT BY MILLHANDS TO THEIR NATIVE PLACES.

D. O. No. RT./55.

OFFICE OF THE POSTMASTER-GENERAL,
BOMBAY, *14th November*, 1927.

H. P. MODY, ESQ.,
PRESIDENT,
MILLOWNERS' ASSOCIATION, BOMBAY.

DEAR MR. MODY,

With reference to my recent conversation with you on the subject of the issue of money orders by mill workers, I notice that as soon as millhands get their wages they rush to the nearest post office and send money orders to their native villages. The rush is great, and causes congestion at the post offices situated in the mill area. This is not convenient, either to the mill hands or to the Post Office staff.

2. To meet the convenience of the mill employees as well as to facilitate the work of the Post Office, I would suggest the following arrangement which is in vogue in the offices of the Divisional Engineers of Telegraphs, of certain Military authorities and of Messrs. Shaw Wallace & Co., who send a large number of money orders on the first working day of every month for the pay of their staff posted in the interior. All the money orders are made out in the above offices and they are sent in one lot by each of these offices with a covering list and a cheque for the total amount of money orders to the Postmaster. A great deal of time is in consequence saved in the booking of the money orders at the post office.

3. The arrangement described above is simple and convenient and as the largest employers of labour I commend this proposal with the hope that you will kindly place it before the Millowners' Association and let me know whether the Association will co-operate with my Department and issue necessary instructions to the members of their Association to adopt the system described in para 2 above.—Yours sincerely,

D. BANERJI.

No. 2391/191 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *6th December*, 1927.

D. BANERJI, ESQ.,
POSTMASTER-GENERAL, BOMBAY.

SIR,

With reference to your D. O. No. R/T 55 of the 14th of November addressed to the Chairman of this Association, I have the honour to inform you that my Committee have decided to recommend all members to adopt the suggestion made in the second para of your letter so that the work of the Post Office may be facilitated, and the millhands might be saved the inconvenience they are at present experiencing.

I may add that in such matters the Committee can only make recommendations, and if a particular member thinks the proposal impracticable, the Committee cannot force him to adopt it. It will be therefore better if you will depute some members of your staff to interview different mill managers and explain to them that your proposal can be adopted without much difficulty.

I forward herewith for your information a copy of a circular letter addressed to all members, and may state that the pay-days this month and next month are the 15th instant and 13th proximo respectively.—I have, etc.,

T. MALONEY,
Secretary.

No. 2381/191 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *6th December*, 1927.

TO ALL MEMBERS OF THE
ASSOCIATION IN THE CITY AND ISLAND OF BOMBAY.

DEAR SIRS,

Members are aware that as soon as millhands get their wages, they rush to the nearest post office and send money orders to their native villages. The rush is great, and causes congestion at the post offices situated in the mill area. This is not convenient either to the millhands or to the Post Office staff.

2. The Postmaster-General of Bombay, in a letter to the Chairman, has made the following suggestion for adoption by mills so that the mill employees might be spared the inconvenience they are experiencing at present and the work of the Post Office might be also facilitated. The Committee understand that the arrangement suggested by the Postmaster-General is in force in several large concerns, including some cotton mills, and is working very satisfactorily.

3. According to this arrangement, all the money orders are made out by a member of the clerical staff and these money orders are sent in one lot with a covering list and a cheque for the total amount of money orders to the postmaster. A great deal of time is in consequence saved in the booking of money orders at the post office.

4. This arrangement is very simple and its adoption will save a lot of time on the part of the operatives, besides minimising considerably the inconvenience to the Post Office. The Committee, therefore, strongly recommend all members to issue instructions to their mill managers to take the necessary steps for adopting the above arrangement in their mills.—Yours faithfully,

T. MALONEY,
Secretary.

No. RT/55.

POSTS AND TELEGRAPHS,
BOMBAY, *9th December*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I have the honour to acknowledge with thanks the receipt of your letter No. 239/1191 of 1927, dated the 6th December, 1927, and to say that the suggestion made in para 2 thereof is being carried out.—I have, etc.,

D. BANERJI,
Postmaster-General.

APPENDIX 68.

PROPOSAL TO INTRODUCE A SYSTEM OF "PHONOGRAMS" IN BOMBAY.

No. TT/240.

POSTS AND TELEGRAPHS,
BOMBAY, *11th May*, 1927.

THE CHAIRMAN,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Proposal to introduce a system of Phonograms at Bombay.*

I have the honour to enclose for your consideration 15 copies of a notice dealing with a scheme for providing facilities for telephone subscribers to send and receive telegrams in plain English by telephone and to request you kindly to let me have your views in the matter.—I have, etc.,

(Sd.) (Illegible),
For *Postmaster-General.*

POSTS AND TELEGRAPHS.

NOTICE.

Phonograms.

Provided that there is a sufficient demand, it is proposed to introduce in Bombay as an experimental measure, in the manner explained below, a system which will provide facilities for telephone subscribers to send and receive telegrams in plain English by telephone. Such messages will be called " Phonograms."

Phonograms for despatch.

Phonograms for transmission may be telephoned to the Central Telegraph Office on payment of an additional charge of two annas per telegram. The procedure to be adopted for this will be that a telephone subscriber will ring up a certain number (which will be allotted when the system is introduced), give his telephone number and ask for a phonogram to be taken down. He will first give the total number of words in the text and then proceed to dictate the phonogram clearly and distinctly to enable the operator to take it down correctly. The subscriber will then ring off. Immediately after this the Central Telegraph Office will ring up the number given by the subscriber and will repeat the phonogram. This procedure is necessary to ensure that messages so received are correct and genuine.

2. A copy of the message received on the telephone will be sent to the subscriber by the first available post. In all cases of complaint the number allotted to this copy should be quoted.

3. The cost of the messages and the additional charge will be recovered along with telephone charges in the telephone bills.

Received Telegrams.

4. Received telegrams can be telephoned by the Telegraph Office to the subscriber concerned free of charge. The procedure to be adopted for this will be that the Central Telegraph Office will call up the subscriber and telephone to him the contents of the telegram received for him. As soon as the Telegraph Office finishes reading out the telegram the subscriber should ring off and then call up No.....and repeat the telegram for confirmation by the Telegraph Office. A copy of the telegram will be posted to the subscriber by the first available post.

Conditions.

5. Conditions on which messages will be accepted for despatch and delivered as phonograms are as follows :—

(1) The messages must be in plain English.

(2) The subscriber must have a telephone deposit account as required for trunk calls.

(3) Subscribers who desire to avail themselves of these facilities must clearly understand that the Department accepts no responsibility for mutilations or mistakes in transmission by telephone. Any corrections due to errors in transmission on the telephone will have to be made at the expense of the sender.

(4) If the Central Telegraph Office gets no answer from a subscriber for whom it has a telegram for delivery, the subscriber will be rung up three times after the receipt of the telegram in the Telegraph Office and if the message cannot be telephoned within one hour of its receipt it will be delivered in the ordinary way.

(5) Telegrams on which charges have to be recovered will not be delivered on the telephone.

No. 927/114 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *1st June*, 1927.

THE POSTMASTER-GENERAL,
BOMBAY CIRCLE, BOMBAY.

SIR,

SUBJECT :—*Proposal to introduce a System of Phonograms at Bombay.*

With reference to your letter No. TT-240, dated 11th May 1927, I am directed to state that my Committee approve of the proposal to introduce " Phonograms " in Bombay, and will watch with interest the results of the experiment during the first year after introduction.—I have, etc.,

T. MALONEY,
Secretary.

APPENDIX 69.

COMMERCIAL EXAMINATION SCHEME.

No. G/1046 of 1927.

THE INDIAN MERCHANTS' CHAMBER,
BOMBAY, *19th May*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

SUBJECT :—*Commercial Examinations Scheme.*

The question of organizing the scheme of Commercial Examinations with a view to encourage the spread of commercial education among Indian youth has been under the consideration of this Chamber for well-nigh two years. To provide young men who select business as career with a curriculum specially suited to Indian conditions and requirements and at the same time embracing all modern requirements, is felt to be a necessity in these days. The Chamber put forth a scheme whereby special Diploma and Certificate Examinations will be conducted by it.

I am forwarding herewith a copy* of the Rules and Syllabus of the Commercial Examinations which will give your Committee an idea about the scheme launched by the Chamber. The rules provide for the opening up of new centres for conducting their examinations and your Committee may well consider the advisability of organizing a centre for these examinations at your place.

It is hoped that your Committee will co-operate with us in making the scheme a success.—Yours faithfully,

(Sd.) (Illegible),
Secretary.

* Not printed.

No. 1327/138 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *26th July*, 1927.

THE SECRETARY,
THE INDIAN MERCHANTS' CHAMBER, BOMBAY.

SIR,

SUBJECT :—*Commercial Examinations Scheme.*

With reference to your letter No. G/1046 dated 19th May 1927, I am directed to inform you that my Committee recognize the utility of the proposed scheme of Commercial Examinations, but they regret they are not in a position at present to extend their co-operation to your Chamber in this matter.—Yours, etc.,

T. MALONEY,
Secretary.

APPENDIX 70.

ARBITRATION BY THE INDIAN CHAMBER OF COMMERCE, CALCUTTA.

No. O.10/26.

THE INDIAN CHAMBER OF COMMERCE,
CALCUTTA, *22nd July*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

I am directed by the Committee of the Indian Chamber of Commerce, Calcutta, to invite the attention of your Committee to the fact that the Indian Chamber of Commerce, Calcutta, is now prepared to undertake arbitration in case of disputes, and to request them to recommend to the members of your Association selling goods in this Presidency to introduce in their sale-contracts a clause to the effect that all disputes shall be referred to the Indian Chamber of Commerce, Calcutta, for arbitration.

I am sending you by separate post a list* of the names of the members of this Chamber, from which you will be able to see that all sections of the Indian mercantile community are widely represented. I am also sending you a list* of the names of the members of the Managing Committee of the Chamber for the year 1927-28.

I am to express a hope that your Committee will use all their influence in inducing your members to bring their disputes in this Presidency for arbitration before a tribunal of arbitration appointed by this Chamber.

My Committee will very much appreciate any assistance rendered by you in this connection.

A copy of the Arbitration rules will be sent to you, if necessary, on hearing from you.—Yours, etc.,

M. P. GANDHI,
Acting Secretary.

* Not printed.

No. 1450/137 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, *9th August*, 1927.

TO ALL MEMBERS OF THE ASSOCIATION.

DEAR SIRS,

The Secretary to the Indian Chamber of Commerce, Calcutta, has addressed a letter to the Association intimating that the Chamber is now prepared to undertake arbitration in cases of disputes, and requesting the Association to ask the members to insert a clause in their contracts to the effect that all disputes in respect of goods sent to Calcutta or other parts of the Bengal Presidency shall be decided by arbitration under the Rules and Regulations of the Indian Chamber of Commerce, Calcutta.

2. The Indian Chamber's letter was considered by the Committee of the Association at their meeting yesterday, when it was decided that the contents of the letter should be brought to the notice of the members of the Association, and that it should be left to individual members to take such action in the matter as they may deem proper.

3. Members who desire further information on the subject are requested to communicate direct with the Indian Chamber of Commerce, 135, Canning Street, Calcutta.—Yours faithfully,

J. P. WADIA,
Assistant Secretary.

APPENDIX 71.

TEXTILE TRADES' ASSOCIATION FOR THE PREVENTION OF FRAUDULENT TRADING.

TEXTILE TRADES' ASSOCIATION FOR THE PREVENTION OF FRAUDULENT TRADING,
LONDON, *8th September*, 1927.

THE SECRETARY,
THE MILLOWNERS' ASSOCIATION, BOMBAY.

SIR,

This Association, which has 51 affiliated Trade Associations, is working for the protection of the textile trade against fraudulent traders. In the course of our investigations we find that textile houses abroad are frequently involved. Experience has shown that only through combined action can this menace to honest trading be overcome. For this reason we invite your co-operation and suggest that, whenever your members have complaints as to fradulent trading in this country, they should send particulars to us for attention.

Every case of suspicious trading brought to our notice is thoroughly investigated and prompt steps taken.

A register is kept of undesirable traders operating in the textile trade, and a watch maintained upon their activities.

We are also prepared to represent your members at creditors' meetings, and to advise what action can be taken. No charge would be made.

I shall be glad to give any information you may require as to the *bona fides* of this organization. It has the support of all the leading firms in this country.

Will you kindly bring this matter to the notice of your members ?

With compliments.—Yours, etc.,

B. G. ARTHUR,
Secretary.

No. 1864/163 of 1927.

THE MILLOWNERS' ASSOCIATION,
BOMBAY, 11*th October*, 1927.

THE SECRETARY,
TEXTILE TRADES' ASSOCIATION FOR THE PREVENTION OF FRAUDULENT TRADING,
LONDON, E. C. 4.

SIR,

I am directed to acknowledge receipt of your letter of the 8th ultimo and to thank you for offering the services of your Association to the members of this Association.

This Association represents the cotton mill industry of this country, and, as you are no doubt aware, the production of the cotton mills is partly consumed in India and partly exported to other countries. The Committee of the Association will be glad if you will kindly furnish them with fuller information regarding the nature of the work done by your Association and also explain how, and under what circumstances, your services can be utilized by the members of this Association. They will be very pleased to take advantage of your services when an occasion arises and an instance of fraudulent trading is brought to their notice, but it is not quite clear to them as to how you can assist them, and they will much appreciate the favour of fuller information from you regarding the exact nature of the help which you are in a position to render them.—Yours, etc.,

T. MALONEY,
Secretary.

Report for the year 1927.

Section IV.

SPEECH OF THE FINANCE MEMBER

ON

INTRODUCTION OF BUDGET FOR 1928-29.

SPEECH OF THE FINANCE MEMBER INTRODUCING THE BUDGET FOR 1928-29.

INTRODUCTORY.

SIR: Before last Simla session, long before the Finance Department is usually called upon to make a close forecast of the budget of the succeeding year, questions raised by the report of the Tariff Board on the Cotton Industry necessitated a decision to sacrifice nearly a crore a year of our customs revenue. This decision, which added to the risks already taken in framing a budget for 1927-28 which left a gap of about a crore and three-quarters on the wrong side in the prospective figures for 1928-29, has made the period of incubation of the present budget an exceptionally long one. Long preparation is apt to lead to a long budget speech. Moreover, last budget speeches, like speeches on other valedictory occasions, offer temptations to reminiscent prolixity. But, aware of the temptations that beset me in presenting the last budget statement that I shall have the honour of making to this House, I shall endeavour to signalize the occasion by making my speech a short one.

Actual outturn of 1926-27.

2. The revised estimates for 1926-27 published a year ago anticipated a total revenue of 1,29.97 crores and a total expenditure of 1,27.15 crores, leaving a net surplus of 2,82 lakhs. The final figures show a total revenue of 1,31.70 crores and a total expenditure of 1,28.74 crores, leaving a net surplus of 2,96 lakhs. The increased figures on each side of the account arose mainly from the method adopted for bringing railway revenue and expenditure into the account. The only important variation is an excess of 42 lakhs under military expenditure, which has been converted by minor variations under other heads into a small gain of 14 lakhs. In accordance with the proposals I made last year, the entire surplus of 2,96 lakhs has been taken to the Revenue Reserve Fund. The close approximation of the revised estimate to the actual outturn is an encouraging sign of the improvement in our methods of budgetting. The extent of this improvement will be clear from the statement attached to the printed speech which gives the corresponding figures for a period of ten years.

REVIEW OF THE YEAR 1927-28.

General conditions.

3. The visible balance of trade, including private imports of treasure, for the ten months ended 31st January 1928 was in favour of India by 37.24 crores as compared with 27.05 crores a year ago. Both imports and exports of merchandise have increased in value by 8 per cent. Improvement has been increasingly marked during the latter months of the year 1927, and it is a further sign of the inherent soundness of India's trade position that practically all the principal articles of import and export contribute to the increase. Among exports, raw cotton alone shows any appreciable falling off, reflecting the unsatisfactory conditions of the last harvest, but the figures for the present season, so far as they are available, hold out a better promise. I will not occupy the time of the House with figures for individual commodities except to refer to motor vehicles of which the statistics are of peculiar interest in relation to the development of India's road communications. Following the reduction in duty which came into force a year ago, increases of 16 and 35 per cent. respectively have been recorded in the number of motor cars and commercial motor vehicles imported during the first nine months of the year, but owing to lower prices, the yield of our customs duty on these imports has fallen below our expectations. During the last two years, however, prices in general have shown a stability unknown since the outbreak of the war. While more stable world conditions are partly responsible for this result without which there cannot be a healthy basis for the expansion of trade, the figures of India's trade reflect the advantages which have accrued from the stabilization of the rupee. I always regard railway earnings as an important barometer of trade and the House has already been made aware of the remarkable improvement in the railway figures for 1927-28 which, by enabling important reductions to be made in railway charges, will itself give a new stimulus towards busi-

ness and agricultural prosperity. In addition, I think I see other clear indications that during the last year Indian commerce has made a steady advance and that the effects of the post-war trade depression are at long last being dissipated. A noticeable feature of the trade returns is the reduction in the net imports of treasure by 6½ crores in the first ten months of the current year.

REVENUE, 1927-28.

Customs.

4. The net customs receipts for 1927-28 were put at 48.73 crores. Present indications are that this estimate will be all but realized. There will, however, be rather wide variations under certain of the individual heads. For example, tobacco is now expected to yield 37 lakhs more, mineral oils 38 lakhs more, protective duties on iron and steel 25 lakhs more, and jute as much as 55 lakhs more than estimated, while there will be a deterioration of something like 70 lakhs under cotton piecegoods, and 40 lakhs under matches. On the whole, I think we shall be down by about 10 lakhs. This is very satisfactory when we remember that the estimate allows for the loss of about 45 lakhs due to the abolition of the import duties on mill stores and machinery consequent on decisions taken after the budget was framed. The stopping of the leakage in Kathiawar may be given as an important reason for improvement in our figures.

Taxes on Income.

5. Taxes on Income have proved a disappointment, particularly in Bengal where the original estimate was unduly high. I have taken the revised estimate at 15.65 crores against the original estimate of 16.95 crores—a deterioration of 1,30 lakhs.

Salt.

6. Salt revenue is down on the original estimate by 25 lakhs notwithstanding the fact that salt issues have so far been slightly in advance of last year. The system of credit sales accounts for a portion of the decrease, and I expect a better yield next year.

Opium.

7. The net revenue from opium scarcely varies from the original estimate, a slight reduction in the receipts being counterbalanced by a reduction in expenditure.

Railways.

8. The railway contribution, as the House is aware, is now estimated at 6.36 crores as compared with the budget figure of 5.48 crores. The latter estimate assumed that the net surplus would not exceed 3 crores and would therefore go in full to the Railway Reserve Fund. The improvement in railway earnings has the result of making the surplus considerably bigger, and one-third of the excess over 3 crores accrues to general revenues.

EXPENDITURE, 1927-28.

Military.

9. I put military expenditure at 54.92 crores, the same figure as in the original budget. Savings owing to troops being sent to China and other causes have been or are being used towards financing a programme of expenditure upon modernisation which the Army authorities and the Government of India recognise as urgent but for which adequate provision could not be made in the budget. It is satisfactory to note that no excess is anticipated over the original estimate.

Debt Services.

10. The head Debt Services shows a saving of 17 lakhs owing to an increase in the interest payable by Railways as a result of their having spent 30 crores on new capital works as against 25 crores provided in the budget. There is also an increase in the interest receivable from the Provincial Loans Fund owing to the larger advances made to it.

Other heads.

11. The only other variation of importance which I need mention is a decrease of 18 lakhs in irrigation expenditure. This is more apparent than real, and represents mainly a transfer from revenue to capital in the North-West Frontier Province.

Summary.

12. The above variations may be summarised as follows :—

(Lakhs of Rupees.)

	Better.	Worse.
Customs	..	10
Taxes on Income	..	1,30
Salt	..	25
Railways (net)	88	..
Debt Services	17	..
Irrigation expenditure	18	..
Others heads	42	..
	1,65	1,65

In other words, the revised estimate, like the original budget, exhibits neither a surplus nor a deficit. The latter put revenue and expenditure at 1,25.26 crores, the revenue figure including a special appropriation of 1,72 lakhs from the Revenue Reserve Fund to which the revenue surplus of last year was transferred. The revised estimates point to a total expenditure of 1,27.74 crores, and a total revenue of the same figure including a special appropriation of 1,69 lakhs from the Fund. Exclusive of this last item, the variation in the net result amounts to 3 lakhs only. Here again, we have reason to congratulate ourselves on the success of our budgeting.

WAYS AND MEANS AND PUBLIC DEBT.

Summary.

13. Before giving the figures for next year, I propose to deal with the Ways and Means position. This may be briefly summarised as follows :—

(Crores of rupees.)

Liabilities.	Revised, 1927-28.	Budget, 1928-29.
Railway capital outlay	30·0	28·0
Other capital outlay	2·3	4·4
Provincial Governments' transactions	8·0	7·0
Discharge of debt (net)	25·4	19·1
Miscellaneous (net)	3·0	—·2
	68·7	58·3

Resources.	Revised, 1927-28.	Budget, 1928-29.
Rupee Loan (net)..	18·5	32·0
Sterling loan (net)	9·1	..
Postal Cash Certificates and Savings Bank	6·7	6·6
Other unfunded debt	4·9	5·1
Debt redemption	5·2	5·6
Depreciation and Reserve Funds	5·8	6·8
Gain on revaluation of Securities in the Paper Currency Reserve, etc. (net)	7·1	..
Reduction of cash balance	11·4	2·2
	68·7	58·3

Position satisfactory.

The net proceeds of the rupee loan in the current year amounted to 18½ crores only, while the total amount of debt redeemed amounted to 25.4 crores. Of this total 21½ crores represented the bonds maturing in 1927 and 1928 which were either converted or redeemed in cash. In our anxiety to guard the interests of the Indian taxpayer and in our desire not to disturb the market in Government securities which were being quoted at rather higher figures than we ourselves thought to be justified, we did not make the terms of our rupee loan as attractive as we possibly should have done, and the fact that it was a short-dated loan seems to have militated against complete success. In the result, we had to tide over temporary difficulties by various expedients. The re-introduction of Treasury Bills in India was in full accordance with our plans, as we deliberately desired to improve the financial facilities of the Indian money market and check seasonal fluctuations in the market for Government securities by this means. We found it necessary, in addition, to resort to external borrowing, first by raising sterling bills to the extent of £5 million in England in July last which have since been repaid and later by the issue of a sterling loan of £7½ million about a month ago. Even so, the net cash receipts from the rupee and sterling loans aggregated only 27½ crores which was only about 2 crores more than the net amount of debt discharged and as much as 13 crores less than the amount required for railway and other capital outlay including that of Provincial Governments. It is no inconsiderable achievement to have financed a capital outlay of this magnitude in a year of rather difficult money conditions, in which our own calculations were upset by the fact that the capital expenditure was 6½ crores in excess of our original anticipations. It is, in my opinion, well worth India's while to persist in the policy of spending money freely on capital development for productive purposes. The railway budget introduced last week, with its big reductions in fares and freights, is evidence of the value of the policy we have been following. Very large sums are now being invested year by year in expansion of railways, in irrigation works, in harbour development and on hydro-electric and other projects. But if this policy is to be continued unchecked, there must be no slackening in the annual savings of the country and these must be made available without stint for loans for capital purposes whether issued by the Central Government, by Provincial Governments or by other authorities. For 1928-29 the capital programme of the railways is being restricted to 24 crores with a special addition of 4 crores for the purchase of the Burma Railways. The Railway Board would have liked a larger allotment, but we felt that this was as much as we could wisely provide in existing circumstances. The aggregate capital expenditure next year, including the drawings of Provincial Governments, is again expected to be in the neighbourhood of 40 crores, while the net amount of debt falling due for discharge will be 19 crores. Allowing for other capital resources available to us, I expect that it should be sufficient to raise a loan of about 32 crores only, of which about 13 crores will represent new money. I see no reason at present to think that the whole of this cannot be raised in India, but much must depend on the monsoon, and the fact that the payment to the Burma Railway Company has to be made in sterling adds to our sterling requirements. Indeed, if we effect the purchase out of money remitted from India, we shall really be paying off four crores of external indebtedness.

Home remittances.

14. A year ago, we estimated that we should require to remit £35½ million to London during 1927-28. Actually, this would have been somewhat higher owing to our inability to carry out the remittance programme in full at the end of 1926-27, so that we started with abnormally low balances in London. In addition, the excess in our capital expenditure was partly incurred outside India. The sterling loan to which I have just referred has made it possible to reduce the net remittance figure to about £30¾ million of which £28½ million is expected to be remitted through the market. For 1928-29 the remittance figure has been put tentatively at £36 million, which will enable us to close the year with a normal balance.

Prices of Government securities.

15. I quote, as in previous years, the market prices of Indian Government securities in India which show how India's credit has improved in recent years.

	Market price on					
	1st February 1923.	1st February 1924.	1st February 1925.	1st February 1926.	1st February 1927.	1st February 1928.
	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.
5 per cent. Tax-free loan, 1945-55 ..	88 4	96 10	97 15	100 12	107 5	106 10
3½ per cent. Indian Government rupee loan	57 0	66 0	66 9	70 8	77 7	75 15

The following further figures compare the prices of India stock and other stock in London on certain dates. They show even more clearly than they did last year that the credit of the Government of India now stands considerably higher in the London market in relation to the British Government and other gilt-edged borrowers than it did in 1914.

	30th April 1914.	30th April 1923.	1st February 1926.	1st February 1927.	31st December 1927.
India 3 per cent. loan	75¼	60¼	58	59⅜	62¾
India 3½ per cent. loan	88¼	70¼	68	70⅜	72¾
Local loans 3 per cent. stock	87	69⅛	64¼	63⅞	65
London County Council :—					
3½ per cent. stock	97	79⅞	73	74½	73½
3 per cent. stock	81	68½	63	64	63¾

The improvement of India's credit in London was strikingly demonstrated by the success of the recent sterling loan.

Last year I commented on the fact that the disparity between the prices of India 3½ per cent. rupee stock and India 3½ per cent. sterling stock was leading to very considerable transfers of money from India to London in order to take advantage of the higher yield of the sterling stock. This process has been continuing to a not inconsiderable extent, though checked by the final stabilization of the rupee on a gold basis. It is significant that the disparity is much less now than it was last year. Nevertheless, the necessity for an external loan was partly due to the effects of this transfer of capital away from India, and if public and private transactions be taken together I have little doubt that, in spite of the issue of a sterling loan of £7½ million in 1927-28, the net amount of India's external indebtedness has been considerably decreased and not increased in the course of the last year. It will be seen from the figures which I am about to give of the Government of India's total debt, that the increase during the year in our external indebtedness as a Government, is considerably less than the amount of the sterling loan and that the sterling debt is only £3⅓ million more than it was three years ago. During 1927-28 our total indebtedness has increased by 16 crores, while our deadweight debt has decreased by 22 crores.

Debt statistics.

16. The following statement gives the usual figures regarding India's debt, external and internal, productive and unproductive, from 1923 onwards:—

Statement Showing the Debt of India, outstanding at the close of each financial year.

	31st March 1923.	31st March 1924.	31st March 1925.	31st March 1926.	31st March 1927.	31st March 1928.
			(In crores of rupees.)			
In India :—						
Loans	339.83	358.81	370.38	368.29	374.44	372.30
Treasury Bills in the hands of the public	21.59	2.12	..	..	..	9.00
Treasury Bills in the Paper Currency Reserve	49.65	49.65	49.65	49.65	41.47	31.94
Other Obligations—						
Post Office Savings Banks	23.20	24.79	25.64	27.23	29.51	31.99
Cash Certificates	3.13	8.42	13.12	20.96	26.68	30.86
Provident Funds, etc.	36.17	39.00	42.39	46.36	51.02	56.09
Total Loans, etc.	411.07	410.58	420.03	417.94	415.91	413.24
Total Other Obligations	62.50	72.21	81.15	94.55	107.21	118.94
Total in India	473.57	482.79	501.18	512.49	523.12	532.18
			(In millions of £.)			
In England :—						
Loans	222.92	244.53	263.39	266.35	265.09	272.32
War Contribution	19.71	19.27	18.81	18.32	17.81	17.27
Capital value of liabilities undergoing redemption by way of terminable railway annuities.	61.31	60.10	58.84	57.53	56.19	54.79
Provident Funds, etc.	.04	.13	.16	.21	.27	.19
Total in England	303.98	324.03	341.20	342.41	339.36	344.57
			(In crores of rupees.)			
Equivalent at 1s. 6d. to the Rupee	405.31	432.04	454.93	456.55	452.48	459.43
Total Debt	878.88	914.83	956.11	969.04	975.60	991.61
Productive { for Central Government	536.65	557.09	600.05	623.38	654.62	686.54
Productive { for Provinces	87.49	97.56	106.43	114.60	120.17	126.34
Total Productive	624.14	654.65	706.48	737.98	774.79	812.88
Unproductive	254.74	260.18	249.63	231.06	200.81	178.73
Total	878.88	914.83	956.11	969.04	975.60	991.61

In the five years since the 31st March 1923, when the era of deficits came to an end, the aggregate debt has increased by 1,13 crores, the productive debt has increased by as much as 1,89 crores, and the unproductive portion has been reduced by 76 crores. By the end of 1928-29 we hope to have just about liquidated the debt due to the five years of revenue deficits from 1918-19 to 1922-23, and if the recent rate of progress is continued, our unproductive debt should vanish altogether in about twelve years' time.

Budget Estimate for 1928-29.

Revenue.

Customs.

17. I now turn to the budget estimates for next year, 1928-29. Net customs revenue at 50·18 crores is expected to bring in 1,55 lakhs more than the revised estimate of the current year. Sugar, allowing for the effect of the establishment of the land customs line at Viramgam, should bring in about 40 lakhs more; motor cars and cycles which, in point of revenue though not in point of numbers, proved somewhat disappointing after last year's reduction of duty, should bring in about 26 lakhs more; cotton piecegoods have been disappointing in the current year, but should show an improvement in 1928-29 which I put at 30 lakhs. On the other hand, I have had to allow for the full effect of the loss of revenue resulting from the abolition of the import duty on mill stores and machinery which was only partially felt in the current year. This in itself means a further loss of 40 lakhs.

Taxes on Income.

18. I have assumed that next year's receipts under the head of Taxes on Income will fully reflect the prosperity which the jute trade is enjoying in the current year, as is evidenced by the revised estimate of the export duty on jute ; also that we shall obtain a full year's revenue under the altered method of assessment of tea companies. Allowing for these two factors, we are, I think, justified in taking the net total for next year at 17 crores which is 1,35 lakhs more than the revised estimate for the current year, but only 5 lakhs more than the original budget.

Salt.

19. Under the head Salt I have repeated the current year's budget figure of 7 crores. This is 25 lakhs more than the revised estimate which, as I have said, does not represent the full duty upon the actual issues of 1927-28.

Opium.

20. The result of our policy of gradual reduction and eventual extinction of opium exports is to reduce gross opium revenue by 32 lakhs next year, but there will be a saving of 7 lakhs in expenditure, so that the net sacrifice under this head will be 25 lakhs.

Railways.

21. The contribution from Railways to general revenues for next year will, under the convention, be based on the results of the working of the year 1926-27, and yield only 5·23 crores. This will be reinforced by the addition of 25 lakhs representing one-third of the surplus over 3 crores assumed in the railway budget. Even so, we shall be getting 88 lakhs less than is anticipated in the revised estimates for 1927-28.

Other heads.

22. I have allowed for the reduction of 10½ lakhs in the subsidy due from Mysore, which was recently sanctioned. For the moment, I assume that we shall be receiving from the Provinces the entire amount of the contributions which have not been finally extinguished, namely, 2,58 lakhs, inclusive of 54 lakhs from Bengal.

EXPENDITURE.

Military expenditure.

23. The following table exhibits the figures of net military expenditure for each year since 1921-22 :—

	(Crores of rupees.)
1921-22	69.81
1922-23	65.27
1923-24	56.23
1924-25	55.63
1925-26	56.00
1926-27	55·97
1927-28 (revised estimate)	54.92
1928-29 (budget estimate)	55.10

In 1928-29 military expenditure has been taken at 55.10 crores of which 10 lakhs represents a new provision for expanding the Territorial Force. Excluding this special provision, the figure is 8 lakhs more than the one for the current year. I warned the House a year ago that there was no immediate prospect, after the big reductions since 1921-22, of further substantial savings in military expenditure. The Government have given very special consideration to the matter during the current year and we have come to the conclusion that the figure proposed for next year cannot be reduced if India is to make a reasonable provision for her defence in modern conditions.

Debit Services.

24. Under the head Debt Services, we have a saving, as compared with the revised estimate for 1927-28, of 67 lakhs. I should, however, draw the attention of the House to the fact that the budget estimate includes two abnormal items, namely, one of 81 lakhs for the premium on the 5½ per cent. Bonds issued in 1918 and maturing in 1928 at 105 per cent., and an increased charge of 25 lakhs for bonus on Cash Certificates. Both these charges are in the nature of deferred interest. But for these special items, the savings would have been as much as 1,73 lakhs. I have drawn attention in previous years to the way in which our steady pursuit of the policy of making regular provision for the reduction or avoidance of debt and confining new borrowings to productive purposes is bringing in an annual dividend to the taxpayer. The charge for interest on deadweight debt in the year 1923-24 amounted to 15.97 crores, while in 1928-29 it will be only 9.51 crores—a decrease of 6.46 crores. The increase in the provision for reduction or avoidance of debt during the same period is 1.78 crores, while the aggregate provision on this account next year is 5.40 crores. In other words, the saving in the interest on deadweight debt in the five years is more than three-and-a-half times the increase in the provision for debt redemption and over a crore more than the actual provision on this account in 1928-29.

Beneficial Services.

25. The expenditure on Civil Administration next year is expected to be 41 lakhs more than the revised estimate for 1927-28. A portion of this is represented by annual increments, etc., but, although the increase is less than half a crore, a perusal of the proceedings of the Standing Finance Committee and of the Demands for Grants will show that we have not been niggardly in providing increased amounts for beneficial services. I would draw the attention of the House to the larger grant to the Indian Research Fund Association, to the new items of expenditure in the demand for Agriculture and to the scholarships to Indian artists for study and training in Europe. On the commercial, but none the less beneficial, side of our activities, the House will observe with interest the new or increased provision made for certain items of expenditure, particularly those relating to irrigation in Waziristan and Baluchistan, forests in the Andamans, the Trade Mission and the extension of the rupee purchase policy. We have also a number of new items relating to the development of Civil Aviation in pursuance of the policy accepted by the House a year ago. The expenditure on the five-year education programme, to which I referred in my budget speech last year, is of course continuing and progressive, but we have not been in a position this time to provide for any similar new programmes within the limited means now at our disposal.

Posts and Telegraphs.

26. The Indian Posts and Telegraphs Department, which was expected to work a year ago at a small loss of Rs. 76,000, is now expected to show in 1927-28 a net loss of about 4½ lakhs. There has been a considerable increase in the gross receipts of the department, but this has been rather more than counterbalanced by an increase in working expenses. The increased loss has been brought about mainly by the fact that an additional sum of 8 lakhs has had to be provided to enable the book value of a large volume of surplus, obsolete and over-valued stores to be written down to their current values. The department is, however, expected to show a small profit of Rs. 23,000 next year after making a provision of over 14 lakhs for additional expenditure on new measures of improvement of the conditions of service of the lower-paid staff. This provision represents yet another instalment of the scheme of improvement of the conditions of service of the establishments in question which, as I informed the House last year, has been under the personal investigation of my hon'ble colleague, Sir Bhupendra Mitra. When the details of this scheme were placed before the Standing Finance Committee a couple of months ago, special reference was made to the desire so often expressed in this House that the question of reducing postal and telegraph charges should be pursued. As was then pointed out, such reductions would involve a far greater loss than the present finances of the department would justify. I am not sure myself whether it will ever be possible to run the department without a subsidy from the taxpayer at much less than the present postal rates, regard being had to the index number of the cost of living to-day and the consequent increase in the wages bill. In any case, priority must be given to the staff. The

Indo-European Telegraph Department, which was expected to show a loss of 3 lakhs in the current year, exhibits no appreciable change, though for 1928-29 the figure of loss will be somewhat larger, namely, 7½ lakhs. The earnings of the department are affected by the competition of the radio system of communications between India and England. It is suffering just as the cable companies are suffering.

Budget surplus.

27. The aggregate revenue of 1928-29 is put at 1,32.23 crores and the expenditure at 1,29.60 crores. At this stage, therefore, we have a surplus of 2,63 lakhs. The main variations from the revised estimate for the current year may be summarised as follows :—

	(Lakhs of rupees.) Better.	Worse.
Customs	1,55	..
Taxes on Income	1,35	..
Salt	25	..
Opium (net)	..	25
Railways	..	88
Provincial contributions..	2,58	..
Revenue Reserve Fund	..	1,69
Debt Services	67	..
Civil Administration	..	41
Military Services	..	18
Other heads	..	36
	6,40	3,77
	Net	2,63

Liability for bonus on Cash Certificates.

28. I do not doubt that the House will share the satisfaction of the Government at this surplus, which is all the more gratifying when we remember that considerable risks were taken a year ago in the original budget, and that, on top of those risks, we agreed during last summer to sacrifice nearly a crore a year of customs revenue for the sake of assisting the Cotton Industry. Before, however, considering what to do with the surplus, I must draw attention to the accumulated liability in respect of the bonus on Cash Certificates. These certificates were first introduced in India in 1917 in connection with the first Indian War Loan and were designed to attract the small investor. They have been very popular and have done great service in promoting savings in India. Cash Certificates of the nominal value of no less than 40 crores will be outstanding on 31st March 1928. Unlike our regular annual rupee loans, they are always " on tap " ; and they can be encashed at any time though they come to full maturity only after 5 years. Their capital value is not subject to depreciation, and the actual amount payable on encashment is on a progressive scale so fixed that the investor gets a growing return for his money after the first twelve months ; consequently, the longer he keeps his certificates, the greater is the inducement to keep them till maturity. But this accrued bonus is paid along with the capital value only at the time of encashment, whenever that may be, and not half-yearly as in the case of our ordinary loans. All these factors combine to make it impossible to forecast precisely the amount of bonus that may have to be paid in any year, while there is the additional practical difficulty that the actual payments in a year are generally less than the accrued liability, and the accrued liability is constantly growing in amount. In the case of the ordinary debt, we can know exactly what we have to pay and provide for such payments from revenue accordingly. In the case of Cash Certificates, on the other hand, we have so far been providing out of revenue only for actual payments in the year and not for the accrued liability. I estimate that this accrued but undischarged liability for bonus was about 3¾ crores on the 1st October 1927 and will stand at about 5½ crores on the 1st October 1928. Following past practice, which is of course fully defensible in view of the fact that, in the main, our budget is a cash budget in which provision is normally made only for actual receipts and disbursements during the financial year to which it relates, and having regard to our revenue position generally, I have

not been able to include, in the forecast for next year, anything more than the amount of the present estimate of actual payments of bonus, namely, 50 lakhs. Even this figure is 25 lakhs more than is required in 1927-28, but there remains a large balance which we may, theoretically, be called upon to pay at any moment and for which we have made no provision: and as soon as the revenue position permits it, we shall have to consider setting aside considerable sums from revenue in a separate fund in order to enable us to meet the full liability when we are called upon to do so. The liability is becoming too large for us to be content to leave the full burden to fall on later years, when a sudden increase may seriously disturb the equilibrium of the budget.

Surplus recurrent.

29. I do not think, however, that this liability need deter us from utilizing the surplus disclosed in the budget as a recurrent surplus. In 1929-30 the special item of 81 lakhs for premium on bonds referred to by me earlier in my speech will disappear and substantial savings may be expected to accrue in future, as they have done in the past, under interest on deadweight debt. In 1929-30 also, we stand to gain considerably from the increased net earnings of our railways in 1927-28. The advent of a bad monsoon or other unforeseen circumstances would no doubt disturb the position, but, on the other hand, our revenue from taxes on income should show some improvement from year to year. The same is true of our customs revenue subject to the proviso that there are good reasons for regarding the present figure of 15 per cent. for our general revenue tariff as unduly high,and it would undoubtedly be in the interests of the trade and industry of the country to reduce it, as soon as financial considerations permit, to a level at which it will compare less disadvantageously with the figure at which the revenue tariff of most of the advanced countries of the world is fixed. I do not, however, think that any reduction is possible in the present budget.

Complete and final remission of Provincial contributions.

30. We have another and a prior claimant to our surplus. Last year we remitted the entire amount of the outstanding Provincial contributions, and although a portion of this, namely, 2,58 lakhs, was stated to be definitely temporary, I do not think that either the Assembly or the Government of India would care to face the storm of protest which would greet us from the Provinces if the final extinction of the Provincial contributions, which we have undertaken to remit at the earliest possible moment, were not effected now, and preference were given to remission of Central taxation or even to new expenditure. The Government of India accordingly propose that 2,58 lakhs of our surplus shall be utilized for such extinction, leaving a small surplus of 5 lakhs in the budget.

CONCLUSION.

31. I have now given to the House all the secrets of the budget of 1928-29. It is not a spectacular budget. After the budget of 1927-28 and the railway budget for 1928-29, with its large reductions in passenger fares and in freights, it might almost be called an anti-climax. It imposes no new taxation and though it allows for reductions in the customs tariff to the tune of nearly a crore, these reductions were announced six months ago. What this budget does is to provide a surplus, in spite of the reduction in the customs tariff, sufficient finally to extinguish the Provincial contributions. I think it is a budget which both the Government and the country can view with pleasure. We have consolidated the ground won last year and can now establish our friends and allies, the Provincial Governments, firmly and finally in the trenches which we won for them a year ago, but which have hitherto been debatable ground. The Provinces have now no further fears of a counter-attack. They can proceed to carry out the great task allotted to them in the governance of India, with the knowledge that no part of the revenues at their disposal will be diverted to the Central Government's purse. The Central Government too has reached a new vantage ground, from which it can begin to survey the country ahead. In opening my first Indian budget, the budget for 1923-24, I voiced some of what I called in the language of Mr. Punch my "first depressions." The only cause for depression that I see to-day in the matter of India's finances is personal. I have to say good-bye to the officials of the Finance Department to whose invaluable and devoted assistance during 5½ very strenuous years I desire to pay a

very sincere tribute, and I cannot myself hope to take a share in solving any of the many interesting financial problems still remaining to be dealt with. Intrinsically, the financial position of the Government of India seems to me to be sound and prosperous. From 1929-30 onwards, it will be the privilege of this House and of my friend and successor, Sir George Schuster, whose acceptance of the post is a matter of great personal satisfaction to me, to find no outside claimant to the recurring surpluses which I hope it will be their good fortune to enjoy in the coming years, and they will be free to turn their minds on the one hand to new directions in which money can be usefully laid out for India's advancement, and on the other hand to the readjustment of the burden of taxation and to those reductions of taxation, so welcome to tax-gatherer and taxpayer alike, which, apart from some minor cases and with the one big exception of the Cotton Excise Duty, have been beyond our reach in my term of office. I cannot more fittingly close my statement than with the prayer that no storm from without or from within may descend upon India to disturb the bright prospects of financial well-being to which she seems to-day to be justified in looking forward.

The 29th February 1928. BASIL P. BLACKETT.

Statement comparing the actual Revenue and Expenditure of the Central Government (Imperial Revenue and Expenditure before the Reforms) with the Revised Estimates for each year from 1917-18 *to* 1926-27.

(*See* paragraph 2 of the speech.)

[In thousands of Rupees.]

	Revised Estimate.			Actuals.		
	Revenue.	Expenditure.	Surplus(+) Deficit (—)	Revenue.	Expenditure.	Surplus (+) Deficit (—)
1917-18	1,14,84,48	1,06,27,74	+8,56,74	1,18,70,58	1,06,57,52	+12,13,06
1918-19	1,27,94,65	1,34,79,88	—6,85,23	1,30,40,66	1,36,13,72	—5,73,06
1919-20	1,44,07,56	1,59,18,67	—15,11,11	1,37,13,98	1,60,79,27	—23,65,29
1920-21	1,35,10,35	1,48,03,61	—12,93,26	1,35,63,32	1,61,64,17	—26,00,85
1921-22	1,13,15,32	1,41,94,52	—28,79,20	1,15,21,50	1,42,86,52	—27,65,02
1922-23	1,20,70,17	1,37,95,52	—17,25,35	1,21,41,29	1,36,43,05	—15,01,76
1923-24	1,31,96,04	1,29,89,97	+2,06,07	1,33,16,63	1,30,77,63	+2,39,00
1924-25	1,34,82,26	1,30,82,68	+3,99,58	1,38,03,92	1,32,35,66	+5,68,26
1925-26	1,31,35,25	1,30,04,87	+1,30,38	1,33,32,98	1,30,01,80	+3,31,18
1926-27	1,29,97,48	1,27,15,44	+2,82,04*	1,31,70,00	1,28,74,37	+2,95,63†

* Estimated transfer to the Revenue Reserve Fund.

† Actually transferred to the Fund.

Report for the year 1927.

Section V.

DOCUMENTS AND STATISTICS.

LIST OF CONTENTS.

No. of Table.	Name of Table.	Page No.
1.	Spindles set up in India, U.S.A., Great Britain, Germany, China and Japan..	509
2.	Looms „ „ „ „ „ „ „ „	510
3.	Progress of Cotton Mill Industry of India	511
4.	World's cotton crops, 1911-12 to 1926-27	512
5.	Production and consumption of raw cotton in India	513
6.	Statement showing the stocks of raw cotton held by Indian mills on 1st August 1927 and 1st February 1928	513
7.	Statement showing the cotton arrivals in Bombay during the season 1926-27 compared with nine previous seasons..	514
8.	Statement showing the weekly prices of cotton in Bombay	515
9.	Statement showing the stocks of yarn and cloth held by Bombay mills ..	516
10.	Current quotations for Bombay mill-made piece-goods and yarn	517—19
11.	Exchange fluctuations and the price of silver	520
12.	Statement showing the quantity of yarn spun in India for the last 20 years.	521
13.	Statement showing the quantity of yarn spun in Bombay City and Island during the last 20 years	522
14.	Statement showing the quantity of cloth produced in Indian mills during the last 20 years	523
15.	Statement showing the quantity of cloth produced in Bombay City and Island mills during the last 20 years	524
16.	Statement showing the imports of cotton yarn into India during the last 20 years	525
17.	Statement showing the imports of cotton yarn into Bombay during the last 20 years	526
18.	Statement showing the imports of piece-goods into India during the last 20 years	527
19.	Statement showing the imports of piece-goods into Bombay during the last 20 years	528
20.	Summary of imports of cotton yarn into India in 1927 compared with two previous years..	529
21.	Detailed statement of imports of cotton yarn into India in 1927 compared with two previous years	530
22.	Summary of imports of cotton yarn into Bombay in 1927 compared with two previous years..	531
23.	Detailed statement of imports of cotton yarn into Bombay in 1927 compared with two previous years	532
24.	Detailed statement of exports from India of Indian-made yarn by sea ..	533
25.	Detailed statement of exports from Bombay of Indian-made yarn by sea ..	534
26.	Summary of imports of cotton piece-goods into British India in 1927 compared with two previous years	535

No. of Table.	Name of Table.	Page No.
27.	Detailed statement of imports of cotton piece-goods into British India in 1927 compared with two previous years	536—37
28.	Detailed statement of imports of cotton piece-goods into Bombay in 1927 as compared with two previous years	538—39
29.	Summary of imports of cotton piece-goods into Bombay in 1927 compared with two previous years	540
30.	Detailed statement of exports of Indian-made piece-goods by sea from British India	541
31.	Detailed statement of exports of Indian-made piece-goods by sea from Bombay	542
32.	Statement showing the re-exports of foreign-manufactured piece-goods and yarn from British India	543
33.	Statement showing the re-exports of foreign manufactured piece-goods and yarn from Bombay	543
34.	Statement showing the approximate yardage of piece-goods available for consumption in India	544
35.	Statement showing the approximate poundage of yarn available for consumption in India	544
36.	Statement showing the progress of Japan cotton mills during the last 15 years	545
37.	Statement showing Japan's cotton consumption during the last 24 years	546
38.	Statement showing Japan's cotton yarn production and exports during the last 24 years	547
39.	Statement showing Japan's cloth production and exports during the last 24 years	548
40.	Statement showing the imports of cotton piece-goods and yarn from U. K. into the chief Presidency ports of India	549

STATISTICS OF COTTON SPINNING & WEAVING IN INDIAN COTTON MILLS .. ..550—567

STATISTICS.

As was stated in the preliminary portion of the Report for 1926, the tables printed in the following pages show considerable variations from those published prior to 1926, The tables now given represent an attempt to give in an easily comprehensible form essential information of a statistical nature regarding the textile trade of India as a whole. In addition, information will also be found in certain tables concerning the textile trade of Bombay City and Island which is the largest individual centre of the cotton trade in India.

A number of interesting tables are also included concerning the Textile trade of Japan, India's keenest competitor in the home and export markets.

Most of the tables are self-explanatory and no notes regarding their interpretation are necessary. The following notes are only intended to assist in arriving at correct conclusions regarding the progress of the Indian Textile Trade during the last few years.

Table 3.—Progress of Cotton Mill Industry in India. The temporary fall in the production of yarn and cloth in the years 1923-24 and 1925-26 are accounted for by the fact that in these two years there were general strikes in Bombay City and Island extending over periods of 2 months and 2½ months respectively.

Table 7.—Statement showing the cotton arrivals into Bombay during the season 1926-27 as compared with 9 previous seasons. A noteworthy feature of this table is the comparatively large importation of American cotton last year.

On entry into India, all American cotton has to be fumigated. At the time of writing the approximate charges for fumigation during the fair season, *i.e.*, 1st November to 31st May is Rs. 3-1-0 per bale and during the rest of the year Rs. 3-12-0 per bale.

Tables 16 *and* 17.—Statements showing the imports of cotton yarn into India and Bombay during the last 20 years. Notable features of the tables are the large imports of artificial silk and mercerised yarn during the last few years.

Tables 18 *and* 19.—Statements showing the imports of cotton piece-goods into India and Bombay during the last 20 years. The figures for the calendar year 1927 indicate a considerable revival in the piece-goods import trade into India when compared with 1926 Table 19 shows that the bulk of the additional imports went to ports other than Bombay.

Table 20.—Summary of imports of cotton yarn into India in 1927 as compared with two previous years. This table shows the shares of the import trade in yarn held by the chief importing countries.

Table 21.—Detailed statement of imports of cotton yarn into India in 1927 as compared with two previous years. This table shows in detail the counts and types of yarn imported into India from the various countries.,

Tables 22 *and* 23.—Summary and Details of imports of cotton yarn into Bombay in 1927 as compared with two previous years. These tables give information similar to that contained in Tables 20 and 21, but, for the Port of Bombay.

Table 26.—Summary of imports cotton piece-goods into India in 1927 as compared with two previous years. This table gives at a glance the quantities of the main classifications of piece-goods imported into India from the chief importing countries. Table 27 gives the information contained in Table 26 in very much greater detail.

Tables 28 *and* 29.—Details and Summary of imports of cotton piece-goods into Bombay in 1927 as compared with two previous years. These tables contain information similar to that contained in Tables 27 and 26 respectively but for the Port of Bombay.

Table 30.—Detailed statement of exports of Indian-made piece-goods from India. When perusing this table the foot note explaining the exact areas covered by the territories mentioned should be carefully studied. The preponderance of coloured goods in the total piece-goods export trade is very striking.

Table 31.—Contains information similar to that given in Table 30 but for the Port of Bombay. It might be noted that the great bulk of piece-goods exported from the Port of Bombay are manufactured in the mills of Bombay City and Island.

Tables 32 *and* 33.—Statements showing the re-exports of piece-goods and yarn from India and Bombay respectively. The figures show that the bulk of the re-export in cotton piece-goods passes through Bombay.

Tables 34 *and* 35.—Statements showing the quantities of cloth and yarn available for consumption in India. These tables are among the most interesting and instructive statistics ever published concerning the extent of the Indian market for yarn and piece-goods. The figures showing the balance of yarn available for consumption in India to some extent give an indication as to the importance of the handloom weaving industry of India.

Tables 36 *to* 39 (both inclusive) contain information extracted from the publications issued by the Japan Cotton Spinners' Association and indicate very clearly the phenomenal progress made by the Japanese Cotton Textile Industry during the last decade.

Table 40. Is extracted from the statistics published by the British Board of Trade and indicates the relative importance of the three chief Presidency Ports of India in the yarn and piece-goods import trade. It should be noted that the figures for the Port of Bombay as given in this table are not strictly comparable with the Government of India statistics for that Port on which all other tables relating to Bombay in this section are based.

Statistics relating to Spinning and Weaving of Cotton Mills in India are extracted from the " Monthly Statistics of Cotton Spinning and Weaving in Indian Mills " published by the Department of Commercial Intelligence and Statistics.

TABLE NO. I.

SPINDLES AND LOOMS SET UP IN INDIA, THE UNITED STATES OF AMERICA, GREAT BRITAIN, GERMANY, CHINA AND JAPAN.

The following figures have been obtained from various sources and may be taken as being approximately correct. In order, however, to make the record as complete as possible, the Committee of the Association will be obliged, if members and others who have any additional particulars available will kindly forward them to the Secretary for inclusion in any future statements that may be published :—

SPINDLES.

Year.	India.	United States of America.	Great Britain.	Germany.	Japan.	China.
1876	1,100,112	....	....	....	....	....
1877	1,244,206	....	....	....	....	....
1878	1,289,706	....	....	....	....	....
1879	1,452,794	....	....	....	....	....
1880	1,461,590	10,653,435	....	....	....	....
1881	1,513,096	....	....	....	....	....
1882	1,620,814	....	....	....	30,000	....
1883	1,790,388	....	....	....	....	....
1884	2,001,667	....	43,000,000	....	....	....
1885	2,145,646	....	43,000,000	....	....	....
1886	2,261,561	....	42,700,000	....	....	....
1887	2,421,290	....	42,740,000	....	....	....
1888	2,488,851	....	43,000,000	....	....	....
1889	2,762,518	....	43,500,000	....	....	....
1890	3,274,196	14,384,180	43,750,000	....	....	....
1891	3,351,694	14,640,000	44,750,000	....	....	....
1892	3,402,232	15,200,000	45,270,000	....	385,314	....
1893	3,575,917	15,700,000	45,270,000	....	381,781	....
1894	3,649,736	16,100,000	45,190,000	....	530,074	....
1895	3,809,929	16,650,000	45,400,000	6,571,332	580,945	....
1896	3,932,946	17,333,396	44,900,000	....	692,384	....
1897	4,065,618	18,228,991	44,500,000	....	768,328	....
1898	4,259,720	18,434,244	44,900,000	7,115,500	1,027,817	....
1899	4,728,333	19,329,092	45,600,000	....	1,170,337	....
1900	4,945,783	19,472,232	45,600,000	8,031,400	1,274,000	550,000
1901	5,006,936	20,196,835	46,100,000	8,434,601	1,234,976	....
1902	5,006,965	20,907,212	49,727,107	....	1,230,697	....
1903	5,043,297	21,212,827	49,700,000	....	1,381,306	....
1904	5,118,121	22,197,522	49,500,000	....	1,345,585	....
1905	5,163,486	22,861,043	50,964,874	8,832,016	1,426,594	....
1906	5,279,595	24,628,379	52,796,230	9,121,259	1,472,253	....
1907	5,333,275	25,681,509	52,585,362	9,730,209	1,540,452	750,000
1908	5,756,020	26,133,442	55,218,024	9,850,209	1,795,879	....
1909	6,053,231	27,914,085	57,026,422	10,162,872	1,954,892	....
1910	6,195,671	28,299,482	57,731,829	10,200,000	2,099,764	....
1911	6,357,460	29,064,492	58,002,435	10,480,090	2,170,796	831,000
1912	6,463,929	29,962,713	58,140,220	10,725,732	2,176,748	833,112
1913	6,596,862	30,579,000	58,481,000	10,920,426	2,414,499	947,406
1914	6,778,895	32,227,840	59,317,187	10,162,872	2,657,174	1,000,000
1915	6,848,744	32,400,792	59,905,000	10,163,000	2,807,514	....
1916	6,839,877	32,653,164	59,811,222	....	2,875,904	1,029,218
1917	6,738,697	33,535,000	60,973,000	....	3,060,478	1,126,568
1918	6,653,871	34,219,156	57,685,841	....	3,227,678	....
1919	6,689,680	34,648,928	59,182,683	....	3,488,262	1,416,556
1920	6,763,076	34,946,721	60,079,394	8,262,872	3,813,680	1,585,300
1921	6,870,804	35,632,193	60,053,246	8,693,221	4,161,126	1,650,000
1922	7,331,219	36,584,487	58,712,303	9,400,000	4,517,612	1,888,348
1923	7,927,938	37,397,000	59,819,000	9,605,000	4,197,966	3,581,214
1924	8,313,273	37,924,000	59,511,000	10,060,000	4,870,232	3,569,440
1925	8,510,683	37,833,000	59,903,000	10,060,000	5,292,040	3,414,062
1926	8,714,168	37,650,000	60,285,000	10,300,000	5,586,027	3,558,483
1927	8,702,760	37,483,000	60,466,000	10,900,000	5,679,852	....

Note.—The figures for India are taken from the Association's Mill Statement.
The figures for Japan are taken from the half-yearly publication of the Japan Cotton Spinners' Association.
The rest of the figures are taken from the Comtelburo Year Book.

TABLE NO. 2.

LOOMS.

Year.	India.	United States of America.	Great Britain.	Germany.	Japan.	China.
1876	9,139	....	....	....	....	....
1877	10,385	....	....	....	....	....
1878	10,533	....	....	....	....	....
1879	13,018	....	....	....	....	....
1880	13,502	....	....	....	....	....
1881	13,707	....	....	....	....	....
1882	14,172	....	....	....	....	....
1883	15,373	....	....	....	....	....
1884	16,262	....	....	....	....	....
1885	16,537	....	561,000	....	....	....
1886	17,455	....	....	....	....	....
1887	18,536	....	....	....	....	....
1888	19,496	....	....	....	....	....
1889	21,561	....	....	....	....	....
1890	23,412	....	....	....	....	....
1891	24,531	....	....	....	....	....
1892	25,444	....	660,000	....	....	....
1893	28,164	....	....	....	....	....
1894	31,154	....	....	....	....	....
1895	35,338	362,067	606,585	245,000	5,000	....
1896	37,270	354,358	....	....	....	....
1897	37,584	379,341	....	....	2,852	....
1898	38,013	384,745	....	240,000	2,798	....
1899	39,069	392,690	....	....	2,757	....
1900	40,124	439,465	648,820	211,818	5,045	....
1901	41,180	411,106	....	211,818	....	....
1902	42,584	477,072	....	....	....	....
1903	44,092	488,760	684,000	....	5,043	....
1904	45,337	503,027	....	....	5,085	....
1905	50,139	515,006	704,357	230,200	8,140	....
1906	52,668	525,630	704,357	230,200	9,601	....
1907	58,436	536,815	725,221	....	9,462	....
1908	67,920	546,160	736,325	....	11,146	....
1909	76,898	555,398	739,382	....	13,813	....
1910	82,725	625,719	741,197	230,200	17,702	....
1911	85,352	633,909	741,260	....	20,431	....
1912	88,951	671,873	758,712	....	21,898	3,738
1913	94,136	709,255	786,205	....	24,224	4,755
1914	104,179	696,387	805,452	230,200	25,443	....
1915	108,009	689,840	808,145	....	30,068	....
1916	110,268	719,358	808,796	....	31,295	4,755
1917	114,621	725,366	807,543	....	36,181	5,853
1918	116,484	712,426	787,679	....	40,391	....
1919	118,221	700,620	790,936	....	44,401	7,193
1920	119,012	708,079	798,083	190,200	50,583	7,660
1921	123,783	719,120	790,399	190,200	54,994	....
1922	134,620	707,469	799,000	190,200	60,893	10,814
1923	144,794	744,686	795,244	240,700	64,460	22,477
1924	151,485	760,625	791,674	240,700	68,579	21,644
1925	154,202	762,808	788,197	240,700	73,381	25,934
1926	159,464	760,133	786,309	240,700	74,193	....
1927	161,952	745,520	767,524	250,000	77,043	....

(Please see foot-note to previous table.)

TABLE No. 3.
PROGRESS OF COTTON MILL INDUSTRY IN INDIA.

	BOMBAY CITY AND ISLAND.						ALL-INDIA.					
	Average Working.		Cotton Consumed.	Yarn Spun.	Cloth Woven.	Average Number of hands employed.	Average Working.		Cotton Consumed.	Yarn Spun.	Cloth Woven.	Average Number of hands employed.
	Spindles.	Looms.					Spindles.	Looms.				
	1	2	3	4	5	6	1	2	3	4	5	6
	Year	ending 30th	June. Bales of 392 lbs.	Year ending Bales of 400 lbs.	31st March. (in yds.)	Year ending 30th June.	Year	ending 30th	June. Bales of 392 lbs.	Year ending Bales of 400 lbs.	31st March. (in yds.)	Year ending 30th June.
1900 ..	Not available	Not available	744,800	Not available	....	72,914	Not available	Not available	1,453,352	1,284,558	329,423,397	161,189
1 ..	Do.	Do.	695,758	Do.	....	82,162	Do.	Do.	1,351,740	882,437	341,176,942	172,883
2 ..	Do.	Do.	987,378	Do.	233,241,143	86,122	Do.	Do.	1,765,038	1,432,345	409,744,993	181,031
3 ..	2,369,273	20,815	986,228	Do.	213,380,279	86,913	4,715,149	39,191	1,739,340	1,440,586	406,316,717	181,399
4 ..	2,339,372	22,745	972,734	Do.	218,577,652	89,915	4,701,318	1,4677	1,744,766	1,444,054	460,554,273	184,779
5 ..	2,398,467	25,442	1,072,452	833,858	304,568,146	92,924	4,815,050	45,507	1,879,244	1,445,953	549,529,065	195,275
6 ..	2,527,082	27,738	1,141,264	873,449	307,078,709	100,798	5,017,537	49,137	2,023,516	1,702,296	564,990,190	208,616
7 ..	2,494,488	29,311	1,115,750	926,649	408,569,624	98,101	5,038,569	52,283	1,980,170	1,634,251	708,139,874	205,696
8 ..	2,528,977	33,589	1,079,194	882,879	471,817,448	101,536	5,291,336	61,167	1,991,500	1,595,738	808,426,561	221,195
9 ..	2,584,886	34,657	1,098,704	894,115	455,639,081	105,751	5,526,233	66,097	2,109,000	1,642,075	824,489,164	236,924
10 ..	2,439,869	36,148	984,058	825,197	532,224,755	104,550	5,290,473	69,599	1,935,010	1,568,410	963,869,482	233,624
11 ..	2,493,163	38,380	953,450	801,068	563,224,913	104,500	5,392,691	73,549	1,905,866	1,524,318	1,042,741,653	230,649
12 ..	2,556,706	39,639	1,077,616	819,102	622,451,272	109,691	5,493,477	77,074	2,050,102	1,562,575	1,136,151,590	243,637
13 ..	25,67,810	39,975	10,72,210	9,09,202	64,21,01,710	110,033	5,736,701	82,577	2,096,016	1,721,182	1,220,442,545	253,786
	Year	ending 31st	August.			Year ending 31st August.	Year	ending 31st	August.			Year ending 31st August.
14 ..	2,597,913	41,643	1,078,038	887,561	592,366,008	109,860	5,848,283	85,158	2,143,126	1,706,942	1,164,291,588	260,276
15 ..	2,455,468	41,667	1,026,050	805,383	562,322,867	111,924	5,704,320	86,868	2,102,632	1,629,961	1,135,707,952	265,346
16 ..	2,551,736	47,250	1,096,174	941,857	771,266,499	118,303	5,900,896	95,965	2,197,718	1,806,061	1,441,514,550	274,361
17 ..	2,736,014	52,421	1,134,814	889,748	830,185,157	125,713	6,067,770	100,824	2,198,164	1,702,768	1,578,132,789	276,771
18 ..	2,671,450	52,887	1,068,492	893,221	933,137,872	124,199	5,987,685	101,141	2,085,678	1,651,439	1,614,126,458	282,227
19 ..	2,652,115	52,320	999,756	765,475	757,903,744	126,368	6,046,323	102,977	2,044,230	1,537,601	1,450,726,160	293,277
20 ..	2,814,718	54,664	957,150	794,297	863,292,197	140,208	6,238,771	105,169	1,952,318	1,589,400	1,639,779,227	311,078
21 ..	2,896,926	57,159	1,060,598	856,141	836,506,933	147,740	6,407,037	111,708	2,120,230	1,650,006	1,580,849,746	332,179
22 ..	2,952,183	58,848	1,074,198	871,736	921,926,856	149,224	6,549,112	117,318	2,203,540	1,733,929	1,731,573,296	343,723
23 ..	3,013,593	60,808	1,059,630	870,248	870,284,518	148,771	6,760,218	120,806	2,151,698	1,764,733	1,725,284,187	347,380
24 ..	2,929,786	62,087	821,466	673,966	855,883,055	148,414	6,962,553	128,320	1,917,748	1,521,569	1,701,574,355	356,887
25 ..	3,181,654	66,329	994,732	818,857	986,028,304	153,009	7,454,161	135,516	2,226,310	1,798,475	1,970,446,852	367,877
26 ..	2,860,076	63,403	777,970	654,906	871,840,734	149,069	7,264,234	136,033	2,113,384	1,716,068	1,954,460,667	373,508
27 ..	2,951,513	69,684	994,500	862,147	1,135,020,515	154,398	7,521,636	146,200	2,417,412	2,017,790	2,258,714,960	384,623

NOTE:—Columns 1, 2 and 3.—Figures taken from the Association's Mill Statement.
Columns 4 and 5.—Are taken from "Monthly Statistics of Spinning and Weaving" published by the Government of India.
Column 6.—Same as columns 1, 2 and 3.
Production was at a standstill in all the mills in the Bombay City and Island for about 2 months in 1924 (end of January to March) and for a further period of 2½ months in 1925-26 (Sep. 15th to 1st Dec.).

TABLE No. 4.

THE WORLD'S COTTON CROPS, 1911-12 to 1926-27 (TODD'S).

(Bales approximately 500 lbs.)

(000's omitted.)

Years.	America (Linters included.)	India*.	Egypt.	Russia.	China.	Others.	Total.	Percentage on 1914-15
1911-12 ..	16,251	3,288	1,485	873	2,552	1,058	25,507	91
1912-13 ..	14,313	4,610	1,507	892	2,298	1,160	24,780	88
1913-14 ..	14,795	5,066	1,537	980	2,303	1,287	25,968	92
1914-15 ..	16,992	5,209	1,298	1,164	2,363	1,154	28,180	100
1915-16 ..	12,123	3,738	961	1,407	2,057	984	21,270	76
1916-17 ..	12,781	4,489	1,022	1,110	1,714	1,027	22,143	79
1917-18 ..	12,428	4,000	1,262	603	1,863	1,086	21,242	76
1918-19 ..	12,970	3,972	964	420	2,203	1,298	21,827	78
1919-20 ..	12,029	5,796	1,114	274	1,914	1,485	22,612	81
1920-21 ..	13,880	3,600	1,206	121	1,667	1,406	21,880	78
1921-22 ..	8,351	4,485	972	57	1,263	1,311	16,439	59
1922-23 ..	10,370	5,073	1,243	50	1,884	1,502	20,122	71
1923-24 ..	10,808	5,161	1,306	212	1,747	1,741	20,975	74
1924-25 ..	14,525	6,088	1,455	471	1,880	2,091	26,510	95
1925-26 ..	17,219	6,250	1,593	733	1,827	2,207	29,829	106
1926-27 ‡ ..	18,911	4,973	1,600	850	1,667	2,408	30,409	114

*400-lb. bales. ‡Estimates.

NOTE:—Figures taken from the tables published in the "Bombay Cotton Annual" issued by the East India Cotton Association.

TABLE NO. 5.

PRODUCTION AND CONSUMPTION OF RAW COTTON IN INDIA.

(*Indian Trade Journal* dated *23rd February* 1928.)

The following statement compares the estimates of the total outturn of cotton in India for the last two years with the sum of exports and internal consumption. The figures of mill consumption are those supplied by the Indian Central Cotton Committee and refer in the case of mills in British provinces to Indian cotton alone. The estimate of mill consumption in Indian States refers to all cotton, but it is presumed that little foreign cotton has been consumed in India States. Import figures have not therefore been taken into consideration for the purposes of the comparison set forth below. A conventional estimate has been made for extra factory or local consumption. It should be borne in mind that estimates of the "Carry-over" from one year to another have not been taken into account owing to complete information not being available regarding stocks.*

	Year ending 31st August	
	1927.	1926.
	Thousand bales (400 lbs.)	Thousand bales (400 lbs.)
Exports to United Kingdom	85	153
,, to Continent (Europe excluding United Kingdom)	832	1,034
,, to Far East	1,872	2,550
,, to Other Countries	41	38
Total	2,830	3,775
Home Consumption—		
Mills†	2,044	1,983
Extra—factory or local‡	750	750
Total	2,794	2,733
Approximate crop	5,624	6,508
Estimated in forecast	5,003	6,250
Excess (+) or deficit (—) neglecting carry-over	+621	+258

* Stocks of cotton in Bombay were 387,000 bales on 31st August 1926 and 437,000 bales on 31st August 1927.

† The figure of mill consumption is that compiled by the Indian Central Cotton Committee, Bombay, on the basis of returns made under the Indian Cotton Cess Act.

‡ Conventional estimates.

TABLE NO. 6.

STATEMENT SHOWING THE STOCKS OF COTTON HELD BY INDIAN MILLS ON 1ST AUGUST 1927 AND ON 1ST FEBRUARY, 1928.

(In bales regardless of weight).

	Bombay City and Island.		All-India.	
	16-7-27.	1-2-28.	16-7-27.	1-2-28.
COTTON MILL STOCKS.				
(In actual bales regardless of weight).				
(*a*) American (Linters and waste not included)	78,107	16,179	117,234	23,328
(*b*) East India	144,279	128,034	684,484	531,171
(*c*) Egyptian	396	345	1,571	810
(*d*) Sundries	7,857	4,843	22,812	11,145
Total	230,639	149,401	826,101	566,454

Figures from the Cotton Census taken at the instance of the International Federation of Master Cotton Spinners' and Manufacturers' Associations.

(Figures are approximations.)

TABLE No. 7.

The following Table gives details of cotton arrivals into Bombay during the 1926-27 *season compared with the total of the nine previous years.*

(Actual weight converted into bales of 3½ cwts. each.) (Season ending 31st August in each case.)

NOTE:—The following figures are extracted from the daily returns issued by the Bombay Chamber of Commerce.

——	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.	1926-27.
Khandeish	173,785	196,138	363,057	252,352	355,071	361,633	340,771	297,806	292,847	315,441
Central India	70,337	176,068	219,617	262,329	226,427	313,158	302,050	351,654	386,999	318,827
Barsi Naggar and Hyderabad Gaorani	95,570	200,550	333,811	133,521	373,985	346,392	310,279	308,365	299,702	274,592
Berar	250,217	449,838	632,578	415,881	763,045	666,233	647,314	574,520	479,843	578,454
Central Provinces	51,643	217,606	268,287	270,833	267,147	272,566	268,766	259,870	247,023	233,578
Dholleras	401,635	67,987	271,785	198,353	317,414	440,075	184,907	316,809	285,748	215,377
N. W. Provinces	137,284	86,449	182,894	166,729	170,053	84,929	122,536	133,887	131,256	59,570
Rajputana	46,960	56,558	53,379	95,012	153,576	135,270	90,203	84,216	117,015	66,045
Sind-Punjab	291,325	479,636	388,316	281,170	220,121	276,592	310,881	365,478	296,512	119,098
Broach	216,248	201,794	275,393	240,822	222,630	414,378	307,772	486,985	313,681	241,163
Compta Dharwar	240,766	159,725	186,918	252,996	147,400	132,693	187,493	222,650	168,007	142,453
Western Northerns	192,189	152,221	160,318	112,046	63,574	85,340	93,019	126,862	117,182	75,183
Coconada	29,348	14,653	10,925	17,493	8,365	4,182	2,888	2,403	3,302	495
Tinnevelly and Cambodia	82,099	65,978	57,957	63,857	64,238	47,384	30,322	41,369	68,875	50,161
Persians	1,370	2,649	2,841	292	3,226	5,737	9,764	6,904	5,627	5,719
Americans	2	1,265	....	81,105	23,058	1,632	2	9,649	28,130	379,120*
Egyptians	....	121	....	2,699	2,050	1,421	3,718	648	638	3,462
East Africans	....	....	....	....	....	51,069	77,932	74,289	88,569	85,988
Comilla, Burmah and Other Sorts	25,667	13,797	18,948	31,226	81,099	603	877	3,513	3,700	916
TOTAL ..	2,306,445	2,543,033	3,427,024	2,878,716	3,462,479	3,641,287	3,291,494	3,667,877	3,334,656	3,165,642

* Or 309,399 original bales of American cotton imported since 1st September 1926.

TABLE NO. 8.

STATEMENT SHOWING THE WEEKLY PRICES OF COTTON IN BOMBAY (IN RUPEES PER CANDY OF 784 lbs.)

The figures are extracted from the Weekly Statistics of the East India Cotton Association, Ltd.

Week ending.	BENGAL F. G.		BROACH.		OOMRA FINE.	
	Price.	Delivery.	Price.	Delivery.	Price.	Delivery.
7th January 1927.	224	Spot.	251	Apl./May.	240	Spot.
15th ,, ...	229	,,	260	,,	250	,,
21st ,, ...	234	,,	262	,,	251	,,
28th ,, ...	223	,,	256	,,	240	,,
4th February	232	,,	265	,,	249	,,
11th ,, ...	255	,,	286	,,	271	,,
18th ,, ...	261	,,	286	,,	274	,,
25th ,, ...	272	,,	297	,,	282	,,
4th March	275	,,	309	,,	303	,,
11th ,, ...	274	,,	293	,,	290	,,
24th ,, ...	275	,,	295	,,	287	,,
1st April	273	,,	301	Spot.	286	,,
8th ,, ...	266	,,	293	,,	278	,,
15th ,, ...	265	,,	290	,,	276	,,
22nd ,, ...	270	,,	295	,,	280	,,
29th ,, ...	276	,,	307	,,	290	,,
6th May	279	,,	314	,,	298	,,
13th ,, ...	282	,,	313	,,	298	,,
20th ,, ...	295	,,	324	,,	306	,,
27th ,, ...	299	,,	328	,,	321	,,
4th June	304	,,	336	,,	329	,,
10th ,, ...	305	,,	336	,,	330	,,
17th ,, ...		Market		closed.		
24th ,, ...	307	Spot.	337	Spot.	331	Spot.
1st July	312	,,	342	,,	333	,,
8th ,, ...	310	,,	335	,,	327	,,
15th ,, ...		Market		closed.		
22nd ,, ...	322	Spot.	356	Spot	346	Spot.
29th ,, ...	336	Dec./Jan.	370	,,	361	,,
5th August	310	,,	350	,,	343	,,
12th ,, ...	329	,,	375	,,	364	Dec./Jan.
19th ,, ...	345	,,	387	,,	378	,,
26th ,, ...		Market		closed.		
2nd September		Market		closed.		
8th ,, ...		Market		closed.		
16th ,, ...	373	Dec./Jan.	446	Apl./May.	413	Dec./Jan.
23rd ,, ...	348	,,	422	,,	389	,,
30th ,, ...	355	,,	432	,,	399	,,
7th October		Market		closed.		
14th ,, ...	340	Dec./Jan.	410	Apl./May.	378	Dec./Jan.
21st ,, ...	337	Spot.	387	,,	356	,,
28th ,, ...	352	,,	400	,,	367	,,
4th Nouember	341	,,	406	,,	375	,,
11th ,, ...	320	,,	387	,,	363	Spot.
18th ,, ...	321	,,	386	,,	361	,,
25th ,, ...	326	,,	389	,,	357	,,
2nd December	315	,,	381	,,	352	,,
9th ,, ...	313	,,	382	,,	349	,,
16th ,, ...	305	,,	369	,,	340	,,
23rd ,, ...	309	,,	374	,,	347	,,
30th ,, ...	317	,,	386	,,	355	,,

TABLE No. 9.

STOCKS OF YARN AND CLOTH HELD BY BOMBAY MILLS.

The following table shows the stocks of Yarn and Cloth held by Bombay Mills compiled from returns received by the Association :—

Date of Returns.	YARN STOCKS IN BALES. Approximation of stocks for all Bombay Mills.			CLOTH STOCKS IN BALES. Approximation of stocks for all Bombay Mills.		
	Sold but delivery not taken.	Unsold.	Total unclear-ed.	Sold but delivery not taken.	Unsold.	Total unclear-ed.
1924.						
January 31st	21,000	41,000	62,000	30,000	115,000	145,000
February 29th	14,000	25,000	39,000	30,000	84,000	114,000
March 31st	12,000	16,000	28,000	32,000	63,000	95,000
April 30th	9,000	21,000	30,000	33,000	59,000	92,000
May 31st	12,000	14,000	26,000	33,000	74,000	107,000
June 30th	12,000	17,000	29,000	46,000	63,000	109,000
July 31st	12,000	21,000	33,000	50,000	62,000	112,000
August 31st	15,000	25,000	40,000	55,000	66,000	121,000
September 30th	9,000	28,000	37,000	49,000	70,000	119,000
October 31st	13,000	21,000	34,000	45,000	65,000	110,000
November 30th	12,000	19,000	31,000	37,000	66,000	103,000
December 31st	11,000	25,000	36,000	36,000	75,000	111,000
1925.						
January 31st	13,000	28,000	41,000	42,000	85,000	127,000
February 28th	16,000	30,000	46,000	45,000	90,000	135,000
March 31st	23,000	26,000	49,000	45,000	105,000	150,000
April 30th	20,000	33,000	53,000	43,000	107,000	150,000
May 31st	16,000	40,000	56,000	47,000	114,000	161,000
June 30th	13,000	45,000	58,000	45,000	131,000	176,000
July 31st	20,000	36,000	56,000	59,000	126,000	185,000
August 31st	14,000	36,000	50,000	59,000	117,000	176,000
September 30th	14,000	32,000	46,000	56,000	103,000	159,000
October 31st	8,000	23,000	31,000	48,000	69,000	117,000
November 30th	5,000	16,000	21,000	30,000	54,000	84,300
December 31st	8,000	14,000	22,000	22,000	53,000	75,000
1926.						
January 31st	11,000	17,000	28,000	25,000	58,000	83,000
February 28th	13,000	25,000	38,000	27,000	52,000	79,000
March 31st	13,000	32,000	45,000	26,000	61,000	87,000
April 30th	11,000	39,000	50,000	31,000	68,000	99,000
May 31st	13,000	33,000	46,000	29,000	80,000	109,000
June 30th	18,000	30,000	48,000	36,000	91,000	127,000
July 31st	20,000	22,000	42,000	46,000	98,000	144,000
August 31st	17,000	26,000	43,000	58,000	101,000	159,000
September 30th	14,000	26,000	40,000	50,000	95,000	145,000
October 31st	13,000	31,000	44,000	44,000	88,000	132,000
November 30th	13,000	27,000	40,000	38,000	80,000	118,000
December 31st	9,000	25,000	34,000	32,000	89,000	121,000
1927.						
January 31st	15,000	20,000	35,000	41,000	77,000	118,000
February 28th	17,000	13,000	30,000	42,000	67,000	109,000
March 31st	17,000	15,000	32,000	39,000	72,000	111,000
April 30th	17,000	21,000	38,000	39,000	80,000	119,000
May 31st	15,000	23,000	38,000	46,000	83,000	129,000
June 30th	15,000	23,000	38,000	62,000	88,000	150,000
July 31st	18,000	20,000	38,000	77,000	81,000	158,000
August 31st	17,000	15,000	32,000	80,000	73,000	153,000
September 30th	17,000	13,000	30,000	65,000	73,000	138,000
October 31st	16,000	20,000	36,000	55,000	83,000	138,000
November 30th	17,000	20,000	37,000	49,000	94,000	143,000
December 31st	16,000	23,000	39,000	47,000	105,000	152,000

NOTE :—The approximate monthly production of yarn in Bombay Mills is about 73,000 bales of 400 lbs. each of which about 50,000 bales are used in the production of cloth.

The rapid reduction in the cloth and yarn stocks early in 1924 and at the end of 1925 was due to the fact that all the mills in the City and Island were closed down.

TABLE NO. 10

AVERAGE WHOLESALE PRICES OF PIECEGOODS AND YARN PRODUCED BY BOMBAY MILLS.

Date.	PIECEGOODS.			YARN.	
	Longcloth.	T.Cloths.	Chadars.	Twist. No. 10's.	Twist. No. 20's.
	As.	As.	As.	As.	As.
Year ending December 31st, 1905 ..	9.39	9.56	9.30	5 29/32	7.0
Year ending December 31st, 1906 ..	9.46	9.45	9.38	5 29/32	7 5/16
Year ending December 31st, 1907 ..		Not Available.			
Year ending December 31st, 1908 ..	9 7/16	9 1/16	8 15/16	5 3/32	6 1/4
Year ending December 31st, 1909 ..		Not Available.			
Year ending December 31st, 1910 ..	9 15/16	9 3/16	9 3/16	6 27/32	7 13/16
Year ending December 31st, 1911 ..		Not Available.			
Year ending December 31st, 1912 ..	10 13/16	10⅝	9⅞	7 5/32	8⅛
Year ending December 31st, 1913 ..		Not Available.			
Year ending December 31st, 1914 ..	9½	9 3/16	9 5/16	5⅝	6 23/32
Year ending December 31st, 1915 ..	9 1/16	8 7/16	8 7/16	5	6 1/32
Year ending December 31st, 1916 ..	11¾	11⅛	10⅜	6 7/16	8 9/32
Year ending December 31st, 1917 ..	17½	16 3/16	14 15/16	9 7/16	12 29/32
Year ending December 31st, 1918 ..	29⅛	26⅜	25½	16 29/32	20 31/32
Year ending December 31st, 1919 ..	26⅜	24 9/16	24¼	16 19/32	21 3/16
Year ending December 31st, 1920 ..	29¾	27¾	27 9/16	16 11/16	24⅛
Year ending December 31st, 1921 ..	26 3/16	24⅜	24 5/16	12 9/32	17
Year ending December 31st, 1922 ..	25 11/32	22¾	23⅜	12¼	16 15/16
Year ending December 31st, 1923 ..	21⅜	19 15/16	19 13/16	12 1/16	15 19/32
Year ending December 31st, 1924 ..	22¾	21⅛	20 9/16	14⅛	17 11/32
Year ending December 31st, 1925 ..	19¼	18 9/16	18 1/8	12 3/32	13 31/32

TABLE NO. 10—*contd.*

AVERAGE WHOLESALE PRICES OF GREY UNBLEACHED PIECE-GOODS IN 1926 AND 1927.

	Longcloth Standard Quality 37×37½×9 Per lb.	Shirtings 35×38×9 Per lb.	Dhoties (up to ½" Nakhi border,) 32×9×1¼. Per lb.	Drills 29½×40×13½ Per lb.	T-cloths 30×24×6 Per lb.	Domestics 24×48×10 Per lb.	Domestics 26×61×11 Per lb.	Salita 40×66×25 Per lb.	Chadars 50×6×2¼ Per lb.	Khadi 28×24×7⅞ Per lb.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Year ending 31st December 1926	1 0 5	0 15 5	1 0 5	0 14 0	0 14 10	0 15 2	0 14 9	0 15 2	0 15 6	0 11 4
Fortnight ending :—										
7th January, 1927	0 13 6	0 12 6	0 14 0	0 11 0	Not quoted	0 12 9	0 12 6	0 12 3	0 13 0	0 9 6
21st January, 1927	0 13 6	0 12 6	0 13 9	0 10 9	Not quoted	0 12 6	0 12 6	0 12 3	0 13 0	0 9 6
4th February, 1927	0 13 6	0 13 3	0 14 0	0 11 3	Not quoted	0 13 3	0 12 6	0 12 9	0 13 3	0 9 9
18th February, 1927	0 14 9	0 14 0	0 15 0	0 12 6	Not quoted	0 13 6	0 13 3	0 13 3	0 13 6	0 10 3
4th March, 1927	0 15 0	0 14 0	0 15 0	0 12 6	Not quoted	0 14 0	0 14 0	0 13 3	0 13 6	0 10 3
18th March, 1927	0 14 9	0 14 0	0 14 9	0 12 0	Not quoted	0 14 0	0 13 6	0 12 9	0 13 6	0 10 3
1st April, 1927	0 14 9	0 14 0	0 14 9	0 12 0	0 12 9	0 14 6	0 13 0	0 12 9	0 13 6	0 10 0
15th April, 1927	0 14 9	0 14 0	0 14 9	0 12 0	Not quoted	0 14 3	0 13 0	0 12 9	0 13 9	0 10 3
29th April, 1927	0 14 9	0 14 0	0 14 9	0 12 0	0 13 6	0 14 6	0 13 0	0 13 0	0 13 6	0 10 0
13th May, 1927	0 15 0	0 14 3	0 15 3	0 12 3	0 13 6	0 14 9	0 13 3	0 13 3	0 13 9	0 10 6
27th May, 1927	0 15 0	0 14 3	0 15 6	0 12 6	0 13 9	0 14 6	0 13 6	0 13 6	0 13 6	0 10 9
10th June, 1927	0 15 0	0 14 3	0 15 3	0 12 6	0 13 6	0 14 9	0 13 6	0 13 6	0 13 9	0 10 9
24th June, 1927	0 15 0	0 14 3	0 15 3	0 12 6	Not quoted	0 14 3	0 13 6	0 13 6	0 13 9	0 10 9
8th July, 1927	0 15 0	0 14 3	0 15 6	0 12 6	Not quoted	0 14 6	0 14 0	0 14 0	0 14 6	0 11 3
22nd July, 1927	0 15 0	0 14 6	0 15 6	0 12 6	Not quoted	0 14 6	0 14 3	0 14 0	0 14 6	0 11 3
5th August, 1927	0 15 3	0 14 9	0 15 9	0 12 6	Not quoted	0 15 0	0 14 3	0 14 0	0 14 9	0 11 6
19th August, 1927	0 15 6	0 15 0	1 0 3	0 13 0	Not quoted	0 15 6	0 14 3	0 14 6	0 15 0	0 11 9
2nd September, 1927	1 0 6	0 15 9	1 1 0	0 13 6	Not quoted	1 0 0	0 15 3	0 15 6	0 15 9	0 12 6
16th September, 1927	1 0 9	1 0 3	1 1 0	0 13 9	0 15 0	1 0 0	0 15 6	0 15 6	0 15 9	0 12 9
30th September, 1927	1 0 6	1 0 0	1 1 0	0 13 9	0 15 0	0 15 9	0 15 3	0 15 3	0 15 9	0 12 9
14th October, 1927	1 0 6	0 15 9	1 0 6	0 13 6	0 15 0	0 15 6	0 15 0	0 15 0	0 15 6	0 12 6
28th October, 1927	0 15 9	0 15 3	1 0 3	0 13 3	0 14 0	0 15 3	0 14 3	0 14 9	0 15 0	0 12 0
11th November, 1927	0 15 9	0 15 6	1 0 3	0 13 3	0 14 0	0 15 3	0 14 3	0 14 9	0 15 3	0 12 0
25th November, 1927	0 15 3	0 15 0	1 0 0	0 13 3	0 14 0	0 15 3	0 14 6	0 14 9	0 15 3	0 12 0
9th December, 1927	0 15 0	0 14 9	1 0 0	0 13 0	0 14 0	0 15 0	0 14 6	0 14 6	0 14 9	0 11 9
23rd December 1927	0 15 0	0 14 6	0 15 6	0 12 9	Not quoted	0 14 9	0 14 3	0 14 3	0 14 9	0 11 3

NOTE:—Figures extracted from the current quotations issued by the Association.

TABLE No. 10.—(*Contd.*)

AVERAGE WHOLESALE PRICES FOR WHITE AND COLOURED PIECE-GOODS AND GREY YARN IN 1926 AND 1927.

	White Bleached.				Dyed Goods.		Fancy Goods.								Yarn (Price per lb.)							
	Long-cloth 36×40 ×10½ Per Piece	Striped Shirting 25× 24×3½ (up to 15% Colour) Per piece	Twills 31½× 40×7¾ Per piece	Khadi. 50×40 ×20. Per piece	Dyed Long-cloth (Black) 35× 38×9. Per piece	Dyed Long-cloth (napthol red) 45× 26×3½. Per piece	Susi, Grey Weft. 21× 24×2 11/16 (up to 20% colour) Per piece	Susi, Check 22× 24×3 (50% colour) Per piece	Susi, Check. 22× 24×3½ (100% colour) Per piece	Sholapur Coating 27× 24×6½ (100% colour) Per piece	Sholapur Coating 25× 24×5½ (100% colour) Per piece	Striped Drills. 24× 24×5 (up to 20% colour) Per piece	Kash-mere Cloth 24× 24×4 (Cotton Dyed.) Per piece	Towels. 30× 16 2/3×7 Per dozen.	4s Bump (nominal)	6½s. All Waste.	8½	10½	12½	16s.	20s.	24s.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Year ending 31st Dec. 1926	13 6 0	4 8 10	10 12 8	17 14 1	10 10 9	4 13 2	2 11 2	3 9 8	3 13 9	11 6 0	6 6 6	4 8 7	3 14 5	8 7 0	0 6 0	0 6 4	0 7 5	0 8 4	0 9 2	0 10 2	0 10 8	0 12 5
Fortnight ending:																						
7th January 1927 ..	Not quoted.	4 0 9	9 8 0	Not quoted.	8 13 9	Not quoted.	2 3 3	3 0 9	3 6 0	10 12 0	5 12 0	3 15 9	3 5 0	7 5 0	0 3 6	0 5 0	0 6 0	0 6 9	0 7 6	0 8 6	0 9 3	0 11 0
21st January ,, ..	,,	4 0 9	9 7 0	,,	8 13 9	,,	2 4 0	3 2 6	3 6 0	11 4 0	6 2 0	3 15 0	3 5 0	7 5 0	0 4 6	0 5 9	0 6 6	0 6 9	0 8 0	0 8 9	0 9 3	0 10 8
4th February ,, ..	,,	4 3 3	9 2 0	,,	9 0 0	,,	2 4 9	3 3 3	3 4 6	11 0 0	6 0 0	3 14 9	3 4 6	7 5 0	0 4 6	0 5 9	0 7 0	0 6 9	0 8 3	0 8 9	0 9 3	0 10 6
18th February ,, ..	,,	4 2 6	9 7 9	,,	9 10 0	,,	2 8 6	3 3 3	3 7 0	11 0 0	6 0 0	4 3 6	3 10 0	7 5 0	Not quoted.	0 5 9	0 7 0	0 7 6	0 8 9	Not quoted.	0 9 6	0 11 0
4th March ,, ..	,,	4 2 6	9 14 0	,,	9 11 3	,,	2 8 6	3 3 9	3 9 0	10 6 0	5 4 0	4 3 6	3 10 0	7 5 0	,,	0 5 9	0 7 0	0 7 6	0 8 9	,,	0 9 6	0 11 0
18th March ,, ..	,,	4 2 0	9 14 0	,,	9 13 6	,,	2 8 0	3 3 0	3 8 0	10 4 0	5 4 0	4 0 0	3 8 0	7 5 0	,,	0 6 3	0 7 6	0 8 0	0 9 3	0 10 0	0 10 6	0 11 0
1st April ,, ..	,,	4 3 6	9 14 0	,,	9 13 6	,,	2 8 0	3 3 0	3 6 0	10 4 0	5 0 0	4 0 0	3 8 0	7 5 0	0 5 9	0 7 0	0 8 0	0 8 3	0 9 3	0 10 3	0 11 0	0 11 3
15th April ,, ..	,,	4 3 6	9 14 0	,,	9 13 6	,,	2 7 9	3 2 9	3 6 0	10 4 0	6 0 0	4 4 0	3 7 0	7 5 0	0 5 9	0 6 6	0 7 9	0 8 0	0 8 6	0 9 9	0 10 3	0 10 9
29th April ,, ..	,,	4 3 9	9 14 0	,,	9 13 6	,,	2 7 9	3 2 3	3 5 6	10 4 0	6 0 0	4 0 9	3 8 0	7 5 0	0 5 9	0 6 9	0 7 9	0 8 0	0 8 9	0 9 6	0 10 0	0 10 6
13th May ,, ..	,,	4 4 0	Not quoted.	,,	9 13 6	,,	2 [illegible] 3	3 2 3	3 5 6	10 4 0	5 4 0	4 1 0	3 8 0	7 5 0	0 6 3	0 7 0	0 7 9	0 8 3	0 9 0	0 9 9	0 10 3	0 10 9
27th May ,, ..	,,	4 4 0	,,	,,	9 13 6	,,	2 [illegible] 9	3 0 0	3 3 9	10 4 0	5 4 0	4 1 6	3 9 6	7 5 0	0 6 6	0 6 9	0 8 0	0 8 6	0 9 0	0 10 0	0 10 6	0 11 0
10th June ,, ..	,,	4 3 9	,,	,,	9 15 9	,,	2 10 3	3 0 9	3 3 9	10 0 0	5 4 0	4 3 0	3 9 6	7 5 0	0 6 6	0 7 0	0 8 0	0 8 9	0 9 0	0 10 3	0 10 9	0 11 3
24th June ,, ..	,,	4 3 0	,,	,,	9 15 9	,,	2 10 3	3 0 6	3 3 9	9 12 0	5 4 0	4 2 3	3 14 3	7 5 0	0 6 6	0 7 0	0 8 0	0 8 9	0 9 0	0 10 3	0 10 9	0 11 0
8th July ,, ..	,,	4 3 6	,,	,,	9 12 6	,,	2 8 9	3 4 0	Not quoted.	9 12 0	5 4 0	4 5 9	3 12 0	7 5 0	0 6 9	0 7 0	0 8 0	0 8 9	0 9 0	0 10 3	0 10 9	0 11 0
22nd July ,, ..	,,	4 4 6	,,	,,	9 12 6	,,	2 8 9	3 4 0	,,	9 12 0	5 4 0	4 5 [illegible]	3 12 0	7 5 0	0 6 9	0 7 0	0 8 0	0 8 9	0 9 0	0 10 3	0 10 9	0 11 0
5th August ,, ..	,,	4 5 3	9 13 9	,,	9 9 9	,,	2 7 3	3 4 0	3 6 0	10 0 0	5 12 0	4 6 0	3 12 0	7 12 0	0 6 6	0 7 3	0 8 0	0 8 9	0 9 0	0 10 3	0 10 9	0 11 0
19th August ,, ..	,,	4 6 0	9 14 9	,,	9 9 9	,,	2 12 6	3 4 0	3 6 0	10 0 0	6 0 0	4 6 6	3 12 0	8 0 0	0 6 3	0 7 6	0 8 3	0 9 0	0 9 6	0 10 6	0 11 0	0 11 6
2nd September ,, ..	13 5 3	4 8 0	9 14 9	,,	9 9 9	,,	2 12 6	3 6 0	3 9 0	10 8 0	6 4 0	4 11 0	3 15 6	8 0 0	0 6 6	0 8 3	0 9 3	0 10 6	0 10 9	0 11 6	0 12 3	0 12 6
16th September ,, ..	13 5 3	4 9 0	Not quoted	,,	Not quoted.	,,	2 12 6	Not quoted.	Not quoted.	11 4 0	6 8 0	4 11 0	4 0 6	8 7 0	0 6 9	0 8 6	0 9 6	0 10 6	0 11 0	0 11 9	0 12 6	0 12 9
30th September ,, ..	12 10 3	4 8 0	,,	,,	,,	,,	2 9 0	,,	,,	11 4 0	6 4 0	4 11 0	4 0 6	8 7 0	0 6 6	0 8 6	0 9 3	0 10 3	0 10 9	0 11 3	0 12 3	0 12 6
14th October ,, ..	Not quoted.	4 5 9	12 4 0	,,	10 15 6	,,	2 8 3	,,	,,	11 4 0	6 4 0	4 11 0	3 15 6	8 0 0	Not quoted.	0 7 6	0 8 9	0 10 0	0 10 9	0 11 3	0 12 0	Not quoted.
28th October ,, ..	,,	4 5 6	Not quoted.	,,	10 9 6	,,	2 13 0	,,	,,	11 4 0	6 4 0	4 12 0	3 14 6	8 0 0	0 6 0	0 7 3	0 8 6	0 9 9	0 10 6	0 10 9	0 11 9	0 12 0
11th November ,, ..	,,	4 8 0	,,	,,	10 8 9	,,	2 13 0	,,	,,	10 4 0	6 0 0	4 12 0	3 14 6	8 0 0	0 6 0	0 7 3	0 8 6	0 9 6	0 10 3	0 10 6	0 11 9	0 12 0
25th November ,, ..	,,	4 7 3	,,	,,	Not quoted.	,,	2 13 0	,,	,,	10 4 0	6 0 0	4 12 3	3 14 6	8 0 0	0 5 9	0 7 0	0 8 3	0 9 3	0 10 0	0 10 6	0 11 9	0 12 0
9th December ,, ..	,,	4 8 0	,,	,,	10 1 3	,,	2 13 0	,,	,,	10 0 0	6 0 0	4 12 3	3 14 6	8 0 0	Not quoted	0 7 0	0 8 3	0 9 3	0 10 3	0 10 9	0 11 9	0 12 0
23rd December ,, ..	,,	4 8 0	,,	,,	10 0 9	,,	2 11 0	,,	,,	10 0 0	6 0 0	4 11 0	3 11 0	8 0 0	,,	0 7 3	0 8 6	0 9 6	0 10 3	0 11 0	0 11 6	0 12 0

TABLE NO. 11.

EXCHANGE VARIATIONS IN 1927 FOR TELEGRAPHIC TRANSFERS AND THE PRICE OF SILVER.

1927.	Bombay/ London.	Bombay/ New York Per 100 dollars.	Bombay/ Shanghai. Per 100 taels.	Bombay/ Hongkong. Per 100 dollars.	Bombay/ Yokohama. Per 100 yens.	Price in Bombay for 100 tolas (of ready silver).
	s.	Rs.	Rs.	Rs.	Rs.	Rs. a. p.
January	1/6	274 3/4	174 3/8	138 1/2	134 3/8	60 10 0
February	1/5 29/32	276	179 3/4	140 3/8	135	62 9 0
March	1/5 29/32	276	168 7/8	135 7/8	135 7/8	58 12 0
April	1/5 27/32	276 3/4	174	138	134 1/8	59 15 6
May	1/5 7/8	276	174 1/4	137 3/8	130 3/8	59 10 6
June	1/5 7/8	276 1/2	174 3/4	136 5/8	129 5/8	59 8 6
July	1/5 13/16	277	174 5/8	136 7/8	130 5/8	59 9 6
August	1/5 13/16	277	170 3/8	133 1/2	131 1/8	57 13 0
September	1/5 29/32	275 5/8	169 3/4	134 1/2	129 1/8	57 12 0
October	1/5 29/32	275 1/4	171 1/4	134 7/8	128 1/8	58 8 6
November	1/5 31/32	274 1/4	175	137 1/8	126 3/8	60 1 6
December	1/6 1/16	272 3/4	175	137 5/8	126	60 1 6

(Averages of the highest and lowest quotations.)

NOTE:—These figures were supplied by Messrs Premchand Roychand & Sons, Exchange Brokers, Bombay.

TABLE No. 12.

STATEMENT SHOWING THE QUANTITY OF YARN SPUN IN INDIA.

(In thousands of pounds)

	1908-09.	1909-10.	1910-11.	1911-12.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24. *	1924-25.	1925-26. *	Calendar Year. 1926.	Calendar Year 1927.
BRITISH INDIA—																				
1 to 10	143,592	128,941	111,185	112,108	132,432	125,722	125,503	139,726	107,143	98,391	84,663	81,044	81,180	94,251	97,603	80,123	87,505	89,339	110,482	111,287
11 to 20	341,176	332,751	316,913	315,435	346,054	339,958	322,113	362,372	347,767	325,045	292,365	321,738	334,403	345,887	348,815	299,062	343,396	316,531	353,712	395,088
21 to 30	120,000	112,522	128,992	140,452	149,355	156,837	146,454	160,425	161,469	173,794	180,216	174,240	188,824	193,330	197,325	168,219	205,347	191,063	221,712	259,373
31 to 40	20,394	15,575	17,674	19,940	19,144	18,971	18,199	18,021	23,260	23,600	18,583	16,535	14,868	16,707	15,836	19,143	18,774	18,498	24,849	31,320
Above 40	4,683	3,564	1,838	2,199	2,935	2,686	2,213	1,960	4,461	5,748	4,503	3,542	2,067	2,364	2,195	3,255	5,809	5,816	10,292	11,847
Wastes	41	70	395	704	661	679	475	651	346	223	231	256	314	472	162	324	330	1,319	2,590	6,312
TOTAL	629,886	593,424	576,996	590,838	650,582	644,853	614,957	683,155	644,447	626,801	580,561	597,355	621,655	653,011	661,936	570,125	661,162	623,371‡	723,924†	815,227
NATIVE STATES—																				
1 to 10	4,373	6,490	4,567	4,072	4,570	5,062	5,506	5,581	3,539	2,061	2,657	3,143	2,763	4,816	5,375	4,721	5,291	6,385	5,935	7,911
11 to 20	17,586	20,720	19,526	20,896	23,339	21,951	21,213	23,816	22,166	20,957	22,175	25,262	25,125	25,565	26,802	28,005	33,619	32,493	37,046	49,643
21 to 30	5,425	6,664	8,474	8,880	9,481	10,158	9,786	9,319	10,019	9,874	8,989	9,417	10,262	9,832	11,634	13,758	18,465	22,726	23,594	24,064
31 to 40	300	249	360	341	497	741	502	552	821	789	606	545	156	194	94	524	593	1,239	1,797	1,835
Above 40	14	35	3	....	2	12	19	3	116	94	58	18	....	26	....	6	14	18	142	212
Wastes	....	....	....	....	....	....	....	....	....	....	....	19	41	20	52	190	247	196	187	484
TOTAL	27,699	34,158	32,931	34,189	37,890	37,924	37,028	39,270	36,660	33,775	34,480	38,405	38,347	40,452	43,958	47,204	58,228	63,057	68,802	84,149
GRAND TOTAL, BRITISH INDIA AND NATIVE STATES—																				
1 to 10	147,965	135,431	115,752	116,179	137,002	130,784	131,010	145,307	110,682	100,452	87,320	84,188	83,943	99,067	102,978	84,843	92,796	95,724	116,418	119,198
11 to 20	358,762	353,471	336,439	336,331	369,393	361,909	343,326	386,188	369,933	346,002	314,541	347,000	359,527	371,452	375,617	327,067	377,015	349,024	390,759	444,731
21 to 30	125,425	119,186	1 7,466	149,332	158,836	166,995	156,240	169,744	171,488	183,667	189,204	183,657	199,086	203,162	208,959	181,977	223,812	213,789	245,305	283,437
31 to 40	20,694	15,825	18,035	20,281	19,642	19,712	18,701	18,573	24,082	24,389	19,189	17,080	15,024	16,900	15,930	19,667	19,368	19,737	26,645	33,155
Above 40	4,697	3,599	1,841	2,199	2,938	2,699	2,233	1,963	4,577	5,842	4,555	3,560	2,067	2,389	2,195	3,261	5,822	5,834	10,435	12,059
Wastes	41	70	395	704	661	679	475	651	346	223	231	275	355	492	214	514	578	1,515	2,777	6,796
GRAND TOTAL	657,585	627,582	609,927	625,026	688,473	682,777	651,985	722,425	681,107	660,576	615,040	635,760	660,003	693,463	705,894	617,329	719,390	686,428‡	792,626†	899,376

* During the years 1923-24 and 1925-26 all the mills in the City and Island of Bombay were closed for about 2 months and 2½ months respectively.

‡ Includes 805 lbs. for which details are not known.

† Do. 288 do. do.

Note.—The periods covered by all the Statistics included in the report are, unless otherwise stated, official years ending 31st March.

TABLE No. 13.

STATEMENT SHOWING THE QUANTITY OF YARN SPUN IN BOMBAY ISLAND.

(In thousands of pounds.)

Descriptions.	1908-09.	1909-10.	1910-11.	1911-12.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.*	1924-25.	1925-26.*	Calendar Year 1926.	Calendar Year 1927.
Nos. 1 to 10..	106,937	92,973	81,141	81,453	95,429	89,352	88,219	97,875	73,500	71,167	55,970	56,406	58,242	71,274	74,226	56,123	61,164	56,982	75,498	66,995
Nos. 11 to 20..	181,702	176,312	171,214	170,766	188,102	186,217	162,658	197,320	198,700	186,336	151,433	173,435	183,839	175,505	171,828	125,910	156,150	116,959	152,442	142,755
Nos. 21 to 30..	61,520	55,443	63,046	70,059	74,851	74,751	66,553	77,108	77,591	90,916	90,604	81,274	94,134	94,753	95,406	79,538	98,955	79,114	102,169	110,397
Nos. 31 to 40..	6,271	4,322	4,314	4,552	4,421	3,831	4,017	3,832	4,824	6,991	6,669	5,161	5,178	6,000	5,587	6,605	7,961	5,885	8,858	11,290
Above 40	1,187	974	650	705	837	822	600	557	1,226	1,847	1,447	1,405	921	989	1,028	1,338	3,212	2,503	3,834	5,306
Wastes, etc. ..	29	55	62	106	41	52	106	51	58	32	67	38	143	173	24	73	101	520	1,085	1,204
TOTAL ..	357,646	330,079	320,427	327,641	363,681	355,025	322,153	376,743	355,899	357,289	306,190	317,719	342,457	348,694	348,099	269,587	327,543	261,963	343,887	337,947

* Please see foot-note to table 12 regarding strikes in Bombay Mills in 1923-24 and 1925-26.

TABLE No. 14.

DETAILED STATEMENT OF THE QUANTITY AND DESCRIPTION OF WOVEN GOODS PRODUCED IN INDIAN MILLS.

GRAND TOTAL, INDIA (British India and Indian States).

(In thousands of yards.)

Description.		1908-09.	1909-10.	1910-11.	1911-12.	1912-13	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26	Calendar year 1926	Calendar year 1927
GREY AND BLEACHED PIECE-GOODS																					
Chadars	Yards ..	39,765	51,041	56,089	69,177	75,398	69,870	65,603	75,163	67,761	54,049	37,914	69,093	59,194	59,428	63,202	58,003	61,614	62,076	65,106	66,659
Dhutis	Yards ..	233,878	249,574	253,246	268,460	291,476	284,770	259,974	323,640	300,949	325,017	359,357	337,602	340,128	455,637	431,145	399,214	458,404	516,394	590 425	614,199
Drills and Jeans	Yards ..	24,708	22,084	25,604	27,567	28,931	27,813	30,789	46,329	53,503	78,611	54,284	80,845	74,305	69,452	53,306	54,974	77,191	74,150	80,076	90,872
Cambrics and Lawns	Yards ..	2,759	4,088	4,171	6,326	7,053	5,053	3,545	5,701	6,379	8,277	5,195	8,473	5,951	7,347	5,554	3,649	5,395	3,167	3,135	4,938
Printers	Yards ..	26,186	33,003	33,469	26,399	29,450	30,384	23,007	23,900	31,539	26,593	23,087	29,837	28,284	35,622	33,073	34,831	32,777	25,872	22,518	20,876
Shirtings and Longcloth	Yards ..	203,314	244,896	287,568	313,053	302,624	292,483	320,705	419,625	427,753	450,630	393,779	444,501	436,240	487,034	470,549	443,848	525,524	521,126	587,363	612,076
T-cloth, Domestics and Sheetings ..	Yards ..	123,841	140,593	139,439	142,107	148,095	128,959	134,283	151,401	192,132	137,396	110,511	122,402	97,388	84,117	81,002	68,075	77,742	74,073	83,806	93,233
Teat Cloth	Yards ..	7,693	5,780	5,933	6,062	5,782	5,814	8,962	11,844	17,181	24,550	33,870	5,671	7,508	7,255	6,593	6,573	9,894	9,005	7,907	5,960
Khadi, Dungree or Khaddar ..	Yards ..	....	....	....	....	....	....	....	....	..	..	..	..	..	..	..	..	87,153	87,406	96,625	118,738
Other Sorts	Yards ..	21,827	20,460	23,645	25,229	25,384	27,283	29,627	34,264	35,913	35,893	45,733	66,649	60,886	87,859	118,371	128,488	46,675	41,035	43,406	43,252
TOTAL ..	Yards ..	685,972	771,517	829,197	883,381	914,191	872,446	833,502	1,094,867	1,136,170	1,141,022	1,076,711	1,164,073	1,129,883	1,284,752	1,271,790	1,197,654	1,382,368	1,414,304	1,580,362	1,675,853
Coloured Piece-goods	Yards ..	138,171	192,352	213,545	252,771	306,251	291,846	255,206	346,647	441,932	473,105	374,015	475,706	450,967	446,822	453,494	503,920	588,078	540,157	645,153	696,004
Grey and Coloured Goods other than Piece-goods	Dozens.	400	429	486	417	415	638	512	653	680	706	721	659	707	629	1,213	514	611	956	1,074	956
Cotton Goods mixed with Silk or Wool	Pounds .	....	....	....	....	....	....	....	....	43	253	307	204	227	178	165	207	272	708	1,876	4,278
Grand Total	Pounds	....	....	....	....	....	....	....	....	43	253	307	204	227	178	165	207	272	708	1,876	4,278
	Yards	324,143	963,869	1,042,742	1,136,152	1,220,443	1,164,292	1,135,708	1,441,515	1,578,133	1,614,126	1,450,726	1,639,779	1,580,850	1,731,573	1,725,284	1,701,574	1,970,447	1,954,461	2,225,515	2,371,857
	Dozens	400	429	486	417	415	638	512	653	660	706	721	659	707	629	1,213	514	611	956	1,074	956

NOTE:—Figures in block type apply to British India only.

Until the year 1924-25, Khadi, Dungree or Khaddar production was included in 'other sorts.' Similarly, mixed cotton goods were not shown separately until 1916-17.

Previous to 1st April 1926, the *actual* production figures of cloth were not recorded, the figures given in the tables relate to the quantities on which excise duty had become payable. (See Cotton Duties Act of 1896 for detailed interpretation of the term 'manufactured.')

TABLE No. 15.

DETAILED STATEMENT OF THE QUANTITY AND DESCRIPTION OF WOVEN GOODS PRODUCED IN BOMBAY MILLS.

(In thousands of yards.)

Description of Goods.		1908-09.	1909-10.	1910-11.	1911-12.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.	Calendar Year 1926.	Calendar Year 1927.
GREY AND BLEACHED GOODS—																					
Chadars	Yds.	27,556	34,777	33,640	39,831	39,726	35,962	28,819	33,336	31,655	27,816	14,820	29,010	25,10:	28,248	25,239	24,318	25,734	26,795	29,995	31,057
Dhuties	,,	57,751	56,700	52,385	54,207	54,701	56,703	46,726	61,727	48,341	65,429	88,605	78,919	77,547	121,793	102,025	97,624	110,997	115,412	145 998	170,800
Drills and Jeans	,,	10,509	10,469	12,566	14,109	14,865	14,838	17,567	29,660	36,452	55,596	33,292	50,170	46,034	35,504	31,523	33,294	49,907	38,408	49,323	58,202
Cambrics and Lawns ..	,,	1,859	2,508	2,479	4,252	5,951	3,636	2,831	3,476	4,075	5,269	3,190	3,897	2,470	4,448	2,186	1,560	2,443	1,449	340	1,856
Printers	,,	408	310	157	78	123	278	79	116	122	61	314	449	376	1,479	1,674	280	165	1,041	927	..
Shirtings and Longcloths ..	,,	151,290	173,587	195,809	219,009	198,955	189,617	201,048	269,383	236,283	297,201	233,227	255,628	270,724	311,600	289,340	278,940	326,482	306,776	371,738	380,759
T-Cloths, Domestics & Sheetings	,,	93,639	102,004	98,545	96,057	92,935	78,322	84,275	108,768	144,514	93,344	64,672	82,792	66,848	53,722	48,427	39,457	45,034	36,195	42,239	46,105
Tent Cloth	,,	2,023	1,520	1,343	1,631	1,684	1,535	3,103	5,642	7,189	8,820	21,026	2,745	2,924	2,499	1,924	1,488	2,261	2,205	2,399	1,330
Khadi, Dungri or Khaddar ..	,,	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	30,574	27,514	45,721	55,340
Other Sorts	,,	4,671	4,859	5,752	7,472	6,792	7,941	7,418	7,773	6,662	9,644	12,669	14,827	12,313	26,633	44,980	45,897	11,549	10,302	10,898	13,595
TOTAL ..	,,	349,707	386,736	402,676	436,646	415,732	388,834	391,867	519,881	515,292	563,180	471,814	518,436	504,339	585,926	547,318	522,859	605,145	566,097	700,581	759,044
COLOURED PIECE-GOODS ..	Yds.	105,932	145,489	160,549	185,805	226,370	203,531	170,456	251,385	314,893	369,958	286,090	344,856	332,168	336,001	322,966	333,024	380,883	305,744	386,085	409,377
GREY AND COLOURED GOODS other THAN PIECE-GOODS.	Doz.	327	344	366	308	246	478	348	478	532	581	616	486	503	420	487	349	429	721	784	656
COTTON GOODS MIXED with SILK OR WOOL	Lbs.	..	..	..	..	..	..	..	..	15	96	113	58	113	64	99	139	115	468	1,140	2,105
GRAND TOTAL ..	Yds.	455,639	532,225	563,225	622,451	642,102	592,365	562,323	771,266	830,185	933,138	757,904	863,292	836,507	921,927	870,285	855,883	986,028	871,841	1,086666	1,168,421
	Doz.	327	344	366	308	246	478	348	478	532	581	616	486	503	420	487	349	429	721	784	656
	Lbs.	..	..	..	..	..	..	..	..	15	96	113	58	113	64	99	139	115	468	1,140	2,105

NOTE:—Until the year 1924-25, Khadi, Dungree or Khaddar production was included in 'other sorts.' Similarly, mixed cotton goods were not shown separately until 1916-17.
Previous to 1st April 1926, the *actual* production figures of cloth were not recorded, the figures given in the tables relate to the quantities on which excise duty had become payable. (See Cotton Duties Act of 1896 for detailed interpretation of the term 'manufactured.')
See footnote to Table 12 for strikes in Bombay Mills.

TABLE No. 16.

IMPORTS OF COTTON YARN INTO INDIA.

(Quantities in thousands of pounds.)

Classifications of Yarn.	1908-09.	'09-10.	'10-11.	'11-12.	'12-13.	'13-14.	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26.	Calendar Year 1926.	Calendar Year 1927.
GREY SINGLES—																				
1s to 10s	332	146	82	68	180	97	79	113	29	16	99	41	216	91	89	107	99	80	85	354
11s to 15s	60	224	48	45	108	43	46	69	99	63	99	114	148	55	36	102	81	22	26	551
16s to 20s	743	382	75	79	816	511	68	131	614	70	7,660	182	6,993	6,555	12,652	6,377	6,629	4,201	2,008	1,069
21s to 25s	81	66	38	25	406	227	34	71	5	23	..	32	128	900	449	231	168	168	136	140
26s to 30s	2,118	3,066	1,359	2,908	2,546	2,845	4,732	3,587	884	446	1,927	531	3,436	4,063	4,650	893	677	415	202	348
31s to 40s	9,600	10,035	6,745	9,797	10,665	8,833	9,255	8,454	4,800	2,255	12,805	2,079	13,885	19,035	21,061	12,943	21,383	21,680	20,924	25,049
41s to 50s	2,304	2,076	2,066	2,356	2,585	3,062	2,892	2,731	1,580	1,413	3,316	1,061	1,429	2,517	2,131	2,078	1,983	1,288	2,031	1,324
Above 50s	3,982	4,217	3,210	3,498	3,926	3,470	2,886	2,997	2,117	1,346	2,718	..	(See	classifi	cations	below)	&	foot no	te.	
51s to 60s	..	..	..	..	..	..	..	..	..	..	..	767	1,776	2,708	1,772	2,490	3,123	2,883	3,559	3,019
61s to 100s	..	..	..	..	..	..	..	..	..	..	..	1,143	851	2,742	1,957	2,463	1,997	1,756	2,000	1,705
Above 100s	..	..	..	..	..	..	..	..	..	..	..	50	37	135	123	137	114	242	165	117
GREY TWO FOLDS (Doubles)	..	..	..	..	..	..	..	..	..	..	..	840	3,183	4,974	4,063	3,434	5,023	5,222	5,799	6,656
WHITE (BLEACHED)	..	..	..	..	..	..	..	..	..	..	..	1,077	2,040	2,520	1,894	2,650	3,427	3,751	4,112	4,985
COLOURED SINGLES.—																				
1s to 20s	1,348	889	568	707	1,204	603	283	519	562	205	132	120	234	260	292	271	361	469	293	445
21s to 25s	1,532	718	790	625	1,433	669	305	436	583	355	461	308	304	319	352	242	309	375	396	220
26s to 30s	1,135	837	702	857	909	842	617	739	497	155	136	136	321	174	58	100	257	160	199	114
31s to 40s	12,815	12,263	10,867	14,760	17,275	14,825	14,238	12,834	11,218	7,810	3,980	4,773	8,958	7,705	5,596	6,864	6,305	4,614	4,165	4,167
41s to 50s	1,086	438	532	526	999	451	521	904	587	403	221	92	455	221	5	68	50	84	232	87
Above 50s	1,208	895	819	751	1,258	876	722	880	602	408	480	478	473	558	235	503	391	433	533	459
COLOURED TWO FOLDS (Doubles)	..	..	..	..	..	..	..	..	..	..	..	448	1,060	772	490	598	810	973	694	579
MERCERISED COTTON YARN	..	..	..	..	..	..	1,819	1,175	1,742	1,135	902	470	1,280	794	1,320	2,019	2,664	2,845	4,165	5,181
UNSPECIFIED DESCRIPTION	3,181	4,049	4,601	4,957	5,724	6,818	4,368	4,788	3,609	3,297	3,161	353	127	24	49	4	57	27	29	76
SEWING THREAD	1,193	1,345	1,452	1,715	1,772	1,705	1,191	1,920	2,384	1,755	1,360	1,705	1,496	1,004	1,230	1,534	1,660	2,154	2,135	2,387
ARTIFICIAL SILK YARN	..	..	..	..	..	..	..	..	..	..	51	168	74	71	225	406	1,171	2,671	4,012	8,478
TOTAL ..	42,717	41,645	33,956	43,674	51,807	45,876	44,055	42,347	31,914	21,155	39,506	16,970	48,903	58,200	60,729	46,515	58,738	56,513	57,900	67,509

NOTE:—Before the year 1919-20 all yarns above 50 Counts were grouped as "above 50s." It was only in 1920 that Government introduced the three additional classifications *viz.* 51s to 60s, 61s to 100s, and above 100s. Before 1919-20 Greyfolds (doubles), white bleached, and Coloured two folds were not separatley shown. The same remark applies to mercerised yarn prior to 1914-15 and artificial silk yarn prior to 1918-19; previously they were included in the general heading "unspecified descriptions."

TABLE No. 17.

IMPORTS OF COTTON YARN INTO BOMBAY.

(Quantities in thousands of pounds.)

Classifications of Yarn.	1908-09.	'09-10.	'10-11.	'11-12.	'12-13.	'13-14.	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26.	Calendar Year 1926.	Calendar Year 1927.
GREY SINGLES—																				
1s to 10s	307	65	40	20	..	64	22	2	..	1	97	40	110	49	80	73	17	30	..	260
11s to 15s	24	134	2	..	..	..	..	..	..	1	42	71	29	8	..	..	4	4	5	541
16s to 20s	473	150	27	16	669	420	10	41	491	6	6,265	144	5,295	4,716	8,445	4,003	2,044	1,365	299	226
21s to 25s	80	29	29	13	322	196	1	25	1	19	..	8	73	737	300	41	37	..	6	3
26s to 30s	1,760	2,468	1,236	2,404	1,940	2,135	4,008	3,205	779	436	1,384	451	2,362	3,354	4,486	833	574	397	152	210
31s to 40s	3,665	4,170	2,555	3,613	3,635	3,650	3,154	4,128	1,671	953	8,208	1,046	7,510	10,300	11,244	8,238	11,933	12,874	12,250	15,820
41s to 50s	1,038	1,146	816	971	1,382	1,378	1,464	1,466	1,044	867	3,089	775	682	1,673	1,482	1,372	1,358	743	884	856
Above 50s	1,554	2,642	1,312	1,420	1,515	1,822	1,301	1,214	1,103	734	1,864	..	(See	classifi	cations	below)	&	footnote.		
51s to 60s	..	..	..	..	..	..	..	..	..	..	..	564	784	912	343	297	627	926	665	649
61s to 100s	..	..	..	..	..	..	..	..	..	..	..	509	381	1,178	838	888	803	385	654	427
Above 100s	..	..	..	..	..	..	..	..	..	..	..	8	22	33	13	17	39	127	41	51
GREY TWO FOLDS (Doubles)	..	..	..	..	..	..	..	..	..	..	..	839	3,089	3,948	3,564	2,888	3,954	4,123	5,521	5,323
WHITE (BLEACHED)	..	..	..	..	..	..	..	..	..	..	..	587	1,234	1,482	1,060	1,585	1,916	1,990	2,217	2,525
COLOURED SINGLES.—																				
1s to 20s	98	230	8	17	52	52	1	40	34	1	..	2	24	2	7	3	36	3	..	1
21s to 25s	5	5	180	4	7	9	5	5	4	3	..	..	13	1	2	..	..	..	1	..
26s to 30s	127	168	76	137	181	238	174	182	133	44	30	49	91	72	35	8	61	22	4	13
31s to 40s	2,153	1,970	1,184	1,866	2,336	2,077	1,719	2,241	1,874	871	445	630	1,172	1,146	443	892	753	376	339	254
41s to 50s	162	103	40	20	19	7	1	198	183	10	79	71	100	211	..	58	31	57	62	86
Above 50s	229	256	69	50	48	74	59	33	37	13	17	5	16	25	1	6	13	27	8	..
COLOURED TWO FOLDS (Doubles)	..	..	..	..	..	..	..	..	..	..	..	306	2,743	566	242	385	487	463	430	213
MERCERISED COTTON YARN	..	..	..	..	..	..	1,530	1,020	1,612	1,047	874	453	1,209	770	1,286	1,964	2,607	2,731	4,076	5,162
UNSPECIFIED DESCRIPTION	1,267	2,571	2,377	2,794	3,147	3,480	1,437	1,413	895	1,048	707	..	..	..	..	..	22	11	2	6
SEWING THREAD	324	416	445	587	534	504	384	695	1,383	906	642	412	545	384	465	601	681	721	664	822
ARTIFICIAL SILK YARN	..	..	..	..	..	..	..	..	..	..	51	168	69	63	201	356	879	2,002	3,367	7,295
TOTAL ..	13,264	16,523	10,392	13,930	15,785	16,106	15,268	15,908	11,245	6,962	23,794	7,139	25,556	31,631	34,535	24,509	28,875	29,376	31,647	40,743

(See footnote to Table 16.)

TABLE No. 18.

STATEMENT SHOWING THE VARIOUS CLASSES OF PIECE-GOODS IMPORTED INTO BRITISH INDIA.

(Quantities in thousands of yards.)

DESCRIPTION.	1908-09.	1909-10.	1910-11	1911-12.	1912-13	1913-14	1914-15.	1915-16.	1916-17	1917-18	1918-19	1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	Calendar year. 1926	Calendar year 1927.
PIECE-GOODS—																				
GREY, UNBLEACHED (PLAIN AND BORDERED):—																				
Chadars	1,443	3,340	4,117	2,422	3,812	2,800	3,161	1,784	1,647	263	1	296	439	367	634	730	831	780	1,052	1,084
Dhuties, Saris, etc.	462,355	604,311	523,063	575,385	724,089	806,067	666,236	610,338	520,161	398,001	304,314	348,193	291,255	383,411	506,657	432,658	489,881	429,271	509,089	568,666
Drills and Jeans	17,688	19,097	17,256	19,359	28,767	21,288	18,903	23,187	21,171	7,575	13,673	9,811	17,616	16,123	14,275	16,802	17,282	19,427	15,329	14,802
Flannels	..	..	..	..	..	..	..	..	..	36	19	..	2	..	412	6	61	19	22	16
Jaconets and Madapollams	100,338	115,479	117,230	116,860	142,000	150,364	111,472	101,699	82,935	62,730	48,909	40,764	39,061	55,176	83,594	72,983	89,407	57,039	74,327	76,779
Longcloth	451,600	483,540	463,515	497,790	622,134	545,388	514,540	406,478	184,919	122,847	159,611	114,484	181,893	129,364	280,131	119,036	206,741	171,327	166,635	242,408
Printers	151	219	78	210	433	60	..	..	..	..	..	..	..	..	..	..	13	4	2	..
Sheetings	175	650	84	213	1,740	151	742	1,833	35,092	30,272	53,793	17,778	46,358	50,164	44,516	60,742	39,361	30,413	19,870	24,000
T-cloth and Domestics	6,815	8,554	3,691	4,627	10,268	6,377	4,544	2,177	121	2,815	2,696	1,564	2,942	398	584	510	531	482	369	576
Unspecified Sorts	1,720	1,642	1,047	1,985	1,887	1,695	637	752	944	936	403	451	642	605	221	488	1,394	323	210	498
TOTAL	1,042,286	1,236,831	1,130,081	1,218,852	1,535,129	1,534,189	1,320,235	1,148,247	846,990	625,475	583,420	533,341	580,208	635,608	931,025	703,956	845,502	709,085	786,906	868,829
WHITE, BLEACHED:—																				
Chadars	689	454	1,199	1,244	1,847	2,673	1,937	689	1,538	679	173	419	479	396	414	487	718	277	311	251
Checks, Spots and Stripes	8,617	9,492	12,643	11,741	13,087	16,101	9,576	12,751	11,169	5,172	1,312	3,939	8,950	1,542	5,793	8,458	11,024	7,020	10,122	12,820
Dhuties, Saris, etc.	51,729	57,189	55,316	62,649	73,392	104,343	103,179	51,967	63,496	41,623	35,797	37,913	35,672	31,944	44,959	45,693	68,896	72,590	109,993	87,197
Drills and Jeans	3,735	3,657	4,887	7,507	7,201	5,752	5,198	6,632	6,880	3,301	4,447	3,259	6,315	2,023	3,140	3,421	6,347	6,106	5,499	6,586
Flannels	..	..	..	..	..	..	..	..	..	390	17	19	367	11	52	38	35	67	44	54
Jaconets, etc.	151,654	141,976	190,740	173,959	226,243	307,851	212,547	176,081	183,101	13,549	4,424	10,314	11,624	5,737	7,118	8,292	9,294	9,398	13,762	13,650
Lawns	..	..	..	..	..	..	..	..	..	..	5,929	4,157	8,666	4,688	8,679	7,698	9,193	8,855	16,100	8,650
Longcloth and Shirting	106,270	94,304	100,112	155,961	179,894	115,259	115,896	163,430	123,180	113,337	65,940	77,328	108,521	48,163	69,365	67,215	122,724	93,787	93,073	113,352
Mulls	..	..	..	..	..	..	..	..	..	151,218	129,483	109,600	93,911	138,314	159,134	164,657	185,629	168,603	205,565	217,704
Nainsooks	135,208	166,327	198,265	191,846	235,870	204,757	134,893	170,762	168,986	150,193	27,134	59,128	121,718	67,551	90,752	88,468	105,367	76,998	66,861	82,629
Sheetings	230	157	292	205	205	208	189	347	265	739	219	214	260	38	135	220	153	164	212	140
T-cloth and Domestics	29	12	20	12	14	11	27	15	8	46	246	6	4	..	..	17	1	25	4	..
Twills	2,920	2,079	3,201	3,554	5,604	8,268	6,587	10,874	9,128	6,974	2,255	6,207	13,409	3,349	6,382	7,275	13,342	12,226	11,553	14,395
Unspecified Sorts	16,662	17,395	19,845	20,930	25,402	28,123	14,191	17,858	22,082	15,133	9,258	9,543	11,888	2,410	6,569	13,419	16,152	8,995	12,680	11,119
TOTAL White, Bleached	477,744	493,042	586,519	629,608	768,758	793,345	604,221	611,405	589,833	502,353	286,635	322,047	421,784	306,167	402,492	415,357	548,876	465,112	545,781	568,846
COLOURED, PRINTED OR DYED:—																				
Cambrics	64,967	82,225	112,763	101,483	101,604	113,586	72,080	41,495	48,716	50,759	29,267	29,440	54,357	17,701	36,186	44,139	44,472	34,737	38,720	48,816
Chadars	95	138	95	292	147	289	208	136	12	7	7	19	22	1	4	2	58	3	49	70
Checks, Spots and Stripes	..	..	..	..	10,849	19,722	10,164	9,510	17,284	11,341	5,331	5,643	13,588	3,657	6,474	8,512	15,446	10,770	14,868	17,855
Dhuties, Lungis and Sarongs	29,185	28,280	26,902	29,645	38,370	40,915	24,253	22,527	24,807	11,938	5,394	11,098	16,278	11,344	17,676	12,776	15,238	17,908	20,697	21,188
Drills and Jeans	11,482	14,589	16,895	20,863	22,523	29,998	20,008	19,593	20,090	22,797	16,856	7,009	19,335	9,628	16,049	17,213	25,349	32,358	38,914	65,973
Flannels	..	..	..	..	..	..	..	..	..	9,672	4,175	1,294	9,744	1,413	1,610	3,900	6,302	10,301	18,677	21,663
Prints and Chintz	127,954	121,658	151,568	135,314	178,856	209,709	104,644	85,943	106,872	100,986	70,025	48,905	114,722	28,735	44,689	61,529	59,533	56,026	49,801	64,878
Saris and Scarves	51,295	43,488	56,360	65,789	74,913	74,250	75,599	34,082	39,567	28,608	17,320	14,125	38,177	15,944	19,166	32,655	30,772	29,280	34,040	34,116
Shirtings	71,213	75,606	105,391	86,541	108,190	152,574	76,681	55,759	64,121	60,838	24,703	27,985	71,571	25,015	38,231	51,605	69,317	72,450	87,766	89,117
Twills	24,907	21,069	24,766	27,230	29,695	31,374	17,536	12,127	16,505	23,465	10,812	7,524	31,179	5,753	9,289	16,810	22,248	20,368	24,530	40,217
Sateens	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3,586	3,060	5,068
Coatings and Trouserings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	7,283	10,320	8,867
Italian Cloth and Sateens	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	12,934	26,004	20,799
Velvets and Velveteens	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1,219	1,526	1,757
Unspecified Sorts	91,382	75,773	96,778	122,276	117,064	159,352	93,602	77,566	116,985	75,182	43,429	55,254	120,283	19,089	54,415	98,353	118,240	56,613	59,818	53,346
TOTAL	472,483	462,825	591,519	589,433	682,212	831,770	494,775	388,739	454,959	395,594	227,319	208,296	489,256	138,279	243,789	347,493	406,971	365,836	429,390	463,432
PAINTS OF ALL KINDS	..	..	..	..	36,430	37,824	26,430	26,709	41,740	32,086	24,600	17,064	18,472	9,746	15,989	19,020	21,882	23,680	21,883	34,032

TABLE NO. 19.

STATEMENT SHOWING THE VARIOUS CLASSES OF PIECEGOODS IMPORTED INTO BOMBAY.

(Quantities in thousands of yards.).

Description.	1908-09	1909-10	1910-11	1911-12	1912-13	1913-14	1914-15	1915-16	1916-17	1917-18	1918-19	1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	Calendar Year 1926.	Calendar year 1927.
PIECE-GOODS.																				
GREY, UNBLEACHED (PLAIN AND BORDERED).																				
Chadars	..	..	..	..	..	106	..	..	..	..	..	7	..	..	4	..	39	145	61	32
Dhuties, Saries, etc.	20,862	24,766	32,049	33,477	25,378	33,113	26,084	13,945	8,545	8,024	7,626	6,493	5,625	2,460	7,683	7,965	11,015	7,962	6,695	8,614
Drills and Jeans	10,291	12,586	10,868	11,837	16,306	10,331	9,893	11,227	12,022	4,828	9,971	7,311	12,602	8,743	9,554	12,376	10,231	12,258	8,101	7,277
Flannels	..	..	..	..	..	..	..	..	16	..	..	..	..	..	..	..	59	16	22	11
Jaconets and Madapollams	25,102	34,276	38,771	35,176	39,878	39,031	22,168	21,523	23,490	24,250	20,259	10,876	12,556	22,282	20,816	16,500	25,161	13,188	13,913	20,977
Longcloth	83,701	103,625	115,889	90,516	143,980	121,050	109,264	54,624	43,126	31,115	78,241	26,204	66,247	35,661	58,580	35,834	54,777	65,388	55,804	78,421
Printers	152	214	74	210	421	60	..	..	..	..	..	..	..	..	..	..	13	4	2	..
Sheetings	18	613	37	182	1,593	140	726	1,149	34,351	29,930	44,757	17,481	44,019	46,849	36,612	53,781	29,262	21,662	11,971	16,101
T-Cloth and Domestics	1,264	943	411	713	815	1,331	1,476	40	38	1,991	2,349	481	2,016	277	419	29	289	127	98	384
Unspecified Sorts	626	62	71	313	618	342	172	315	393	387	58	51	185	390	28	55	457	41	27	90
TOTAL	142,016	177,085	198,170	172,424	228,989	205,504	169,783	102,823	121,965	100,541	163,261	68,904	143,250	116,662	133,696	126,540	131,303	120,791	96,694	131,907
WHITE, BLEACHED:—																				
Chadars	56	4	..	23	52	..	57	29	..	..	..	..	..	..	..	..	281	59	89	18
Checks, Spots and Stripes	2,409	2,950	3,389	2,264	3,502	2,903	1,446	1,336	1,125	1,202	273	613	916	236	682	1,073	1,360	1,547	2,305	1,560
Dhutis, Saries, etc.	11,915	5,941	12,025	12,783	13,425	25,054	21,972	9,809	10,522	8,388	10,411	9,825	4,972	3,260	7,219	6,853	10,371	12,554	9,904	11,200
Drills and Jeans	1,890	2,009	3,086	4,167	3,796	3,148	2,431	3,228	3,601	1,143	675	1,548	3,031	417	499	1,399	2,126	2,492	2,596	3,202
Flannels	..	..	..	..	..	..	..	..	..	268	..	5	301	..	..	..	22	12	2	41
Jaconets, etc.	37,202	43,182	54,517	47,134	56,623	82,039	51,097	33,882	35,238	1,589	1,515	3,154	3,593	518	1,397	1,964	1,745	3,221	4,430	3,728
Lawns	..	..	..	..	..	..	..	..	..	..	860	852	1,036	190	1,132	538	495	389	508	316
Longcloth and Shirting	28,167	31,414	31,098	49,458	52,800	34,138	35,753	37,985	37,695	31,022	30,724	25,445	27,671	11,607	11,610	16,359	32,882	21,640	18,789	28,417
Mulls	..	..	..	..	..	..	..	..	..	28,901	27,871	24,604	18,733	22,439	23,083	31,309	34,069	30,405	33,493	35,750
Nainsooks	42,298	66,014	80,607	66,132	79,275	73,107	45,297	39,132	44,949	38,166	10,118	13,722	35,144	10,203	13,314	22,738	24,670	22,438	9,438	20,342
Sheetings	78	75	51	103	80	67	111	101	78	592	25	104	105	7	14	38	64	74	62	37
T-Cloth and Domestics	..	10	19	..	5	2	..	..	8	43	246	..	..	..	..	17	1	10	1	..
Twills	321	416	723	488	650	1,201	544	934	1,378	392	375	839	1,633	68	239	690	1,518	2,501	3,082	3,178
Unspecified Sorts	8,135	9,956	11,947	14,239	16,504	18,081	8,462	9,483	12,564	8,797	7,174	4,970	4,915	957	2,681	4,431	5,864	4,249	5,181	3,699
TOTAL	132,471	161,971	197,460	196,791	226,712	239,740	167,170	135,919	147,158	120,503	90,267	85,681	102,050	49,902	61,870	87,409	115,468	101,591	89,880	111,488
COLOURED, PRINTED OR DYED:—																				
Cambrics	21,484	32,128	38,794	31,809	39,203	45,735	33,959	18,198	18,507	19,527	11,652	11,988	14,010	3,312	10,717	15,356	4,864	14,624	15,441	19,081
Chadars	14	10	52	186	82	4	..	102	..	6	6	18	22	..	..	2	29	..	18	5
Checks, Spots and Stripes	..	..	..	..	2,540	7,631	3,147	2,091	4,189	3,422	1,363	1,864	4,460	458	1,682	1,449	3,929	4,390	7,014	6,960
Dhutis, Lungis and Sarongs	440	446	1,135	1,149	1,471	1,141	732	340	489	431	153	457	265	44	146	107	240	310	479	183
Drills and Jeans	3,948	4,385	5,492	4,682	4,961	5,116	4,494	5,488	9,191	6,139	2,445	1,555	3,489	1,997	2,903	3,057	6,034	7,072	8,346	16,426
Flannels	..	..	..	..	..	..	..	..	..	3,416	397	464	1,928	214	145	721	1,398	2,334	5,400	5,460
Prints and Chintz	46,961	70,451	92,203	77,673	108,169	123,114	66,030	52,648	66,786	60,290	48,431	27,452	66,480	11,586	23,268	40,707	37,136	39,123	31,701	44,297
Saris and Scarves	14,159	12,050	18,633	22,556	22,733	31,931	26,126	12,877	12,209	7,371	6,493	5,335	11,739	3,049	6,324	12,296	12,358	14,079	8,399	8,624
Shirtings	21,156	21,203	30,662	29,749	34,667	44,143	28,382	14,281	16,005	12,322	6,920	5,602	14,116	4,689	10,797	14,135	15,041	17,884	22,372	18,928
Twills	1,538	1,863	2,631	2,428	2,281	2,959	3,367	2,220	2,867	3,466	4,908	1,334	4,469	903	1,126	1,573	3,273	5,523	7,185	15,394
Sateens	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	10	1,111	808	1,314
Coatings and Trouserings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2,776	4,687	4,564
Italian Cloth and Sateens	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5,115	10,855	8,563
Velvet and Velveteens	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	738	782	733
Unspecified Sorts	41,476	38,179	48,547	61,036	58,739	84,030	50,177	43,424	59,652	36,283	26,230	27,711	56,864	7,819	22,684	46,917	49,538	16,217	10,488	8,764
TOTAL	151,176	180,715	238,149	231,268	274,846	345,804	216,414	151,669	189,895	152,673	108,998	83,780	177,842	34,071	79,792	136,320	143,850	131,296	133,976	159,296
Fents of all Descriptions	..	..	..	..	31,834	31,437	19,050	16,432	24,428	23,567	21,271	13,274	13,787	8,813	15,283	17,770	20,256	22,056	20,133	32,096

TABLE NO. 20.

SUMMARY OF IMPORTS OF COTTON YARN INTO INDIA IN 1927.

(In thousands of pounds.)

Description of Yarn	United Kingdom.			Japan.			U. S. of America.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927
Grey Singles	7,060	11,352	10,460	25,557	19,327	12,299	14	36	1	11	7	17	..	2	..	..	..	..	8	5	..	..	..	..	85	407	10,897	32,735	31,135	33,675
Coloured Singles ..	4,001	3,821	4,006	144	162	28	..	..	..	392	245	393	33	27	21	464	605	523	869	868	440	19	23	80	213	66	1	6,135	5,819	5,492
White Bleached. . ..	3,064	3,378	3,824	686	727	1,074	..	..	..	..	7	4	..	..	..	..	..	1	..	..	..	..	..	72	1	..	11	3,751	4,112	4,985
Grey Folded	609	1,639	1,530	4,570	4,073	4,246	..	..	37	6	72	49	..	..	..	..	..	..	1	..	..	..	..	..	36	15	793	5,222	5,799	6,656
Coloured Folded ..	891	668	552	52	12	1	..	..	..	1	..	4	..	..	..	9	..	..	19	11	19	1	2	3	..	..	..	973	694	579
Mercerised	330	297	310	2,514	3,852	4,871	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	1	8	..	..	..	..	2,845	4,165	5,181
Artificial Silk	761	476	2,199	7	2	..	..	..	..	1,309	2,566	4,526	121	81	52	130	302	491	97	286	383	157	147	186	89	153	640	2,671	4,012	8,478
Unspecified Descriptions	24	16	58	2	12	10	..	..	7	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	1	..	27	29	76
Rope	853	825	794	2	10	18	94	100	16	12	10	1	..	..	..	2	1	1	..	..	..	2	1	2	11	22	7	976	971	839
Sewing Thread	1,714	1,776	1,973	88	44	15	..	..	1	17	3	1	52	42	53	58	100	112	..	..	..	41	27	16	184	142	216	2,154	2,135	2,387
TOTAL	19,307	24,249	25,707	33,622	28,223	22,561	108	144	62	1,748	2,910	4,997	206	152	127	663	1,007	1,128	994	1,171	841	221	208	359	620	806	12,564	57,489	58,871	68,347

For each country statistics for three years are given, the first period relates to the year ending 31st March 1926 and the last two relate to calendar years ending 31st December 1926 and 1927.

TABLE No. 21.

DETAILED IMPORTS OF COTTON YARN INTO INDIA.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			U. S. of America.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927	1925–26	1926	1927
SINGLE GREY :—																														
1 to 10 ..	1	..	12	29	..	3	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	49	85	339	80	85	354
11 to 20 ..	437	499	527	3,752	1,518	162	15	16	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	20	1	929	4,224	2,033	1,620
21 to 30 ..	422	284	381	160	54	107	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	583	338	488
31 to 40 ..	1,594	4,100	3,710	20,053	16,475	11,704	..	20	..	10	3	6	..	2	..	..	..	..	8	5	..	..	..	..	15	320	9,629	21,680	20,924	25,049
41 to 50 ..	944	1,292	1,169	344	736	144	..	..	..	..	2	11	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1,288	2,031	1,324
51 to 60 ..	1,765	3,028	2,839	1,118	529	179	..	..	..	..	2	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2,883	3,559	3,019
Above 60 ..	1,897	2,149	1,822	101	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1,998	2,165	1,822
SINGLE COLOURED :—																														
1 to 20 ..	364	196	431	87	87	12	..	..	..	4	..	1	..	..	1	..	..	..	12	4	..	..	5	..	1	..	..	469	293	445
21 to 30 ..	489	520	308	2	2	..	..	..	..	13	25	8	..	..	..	1	..	..	30	48	17	..	..	1	..	..	..	535	595	334
31 to 40 ..	2,724	2,478	2,822	6	..	9	..	..	..	368	219	358	33	25	21	435	551	462	820	810	419	15	17	75	212	65	1	4,614	4,165	4,167
41 to 50 ..	58	155	83	26	73	1	..	..	..	..	..	..	..	..	..	..	..	..	..	4	3	..	..	..	..	..	..	84	232	87
Above 50 ..	367	472	362	23	..	6	..	..	..	5	1	26	..	2	..	28	54	61	6	2	..	4	1	4	..	1	..	433	533	459
White Bleached ..	3,064	3,378	3,824	686	727	1,074	..	..	..	..	7	4	..	..	..	..	..	1	..	..	..	..	..	72	1	..	11	3,751	4,112	4,985
Grey Folded ..	609	1,639	1,531	4,570	4,073	4,246	..	..	37	6	72	49	..	..	..	..	..	..	..	..	..	..	..	..	36	15	793	5,222	5,799	6,656
Coloured Folded ..	891	668	552	52	12	1	..	..	..	..	..	4	..	..	..	9	..	..	20	11	19	1	2	3	..	..	..	973	694	579
Mercerised ..	330	297	310	2,515	3,852	4,871	..	7	..	..	..	..	..	..	..	..	..	..	..	..	..	1	8	..	..	..	..	2,846	4,165	5,181
Artificial Silk ..	761	476	2,199	7	2	..	..	..	..	1,309	2,566	4,527	120	81	52	130	302	491	97	286	383	157	147	186	89	153	640	2,671	4,012	8,478
Unspecified Sorts ..	24	16	58	2	12	10	..	..	7	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	1	1	..	27	29	76
Rope ..	853	825	794	4	10	18	93	100	16	12	10	1	..	..	..	2	1	1	..	..	..	2	1	2	7	22	7	976	971	839
Sewing Thread ..	1,713	1,776	1,973	87	44	15	..	..	1	17	3	1	53	42	53	58	100	112	..	..	..	41	27	16	185	142	16	2,154	2,135	3,873
TOTAL ..	19,307	24,249	25,707	33,623	28,223	22,562	108	144	62	1,748	2,910	4,997	206	152	127	662	1,007	1,128	995	1,171	841	221	208	359	619	806	12,564	57,489	58,871	68,347

For each country statistics for three years are given, the first period relates to the year ending 31st March 1926 and the last two relate to calendar years ending 31st December 1926 and 1927.

TABLE NO. 22.

SUMMARY OF IMPORTS OF COTTON YARN INTO BOMBAY IN 1927.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			U. S. of America.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1925-26	1926.	1927.	1925-26	1926	1927	1925-26	1926	1927.	1925-26	1926	1927.	1925-26	1926	1927.	1925-26	1926.	1927.	1925-26	1926	1927.	1925-26	1926	1927.	1925-26	1926	1927.	1925-26	1926	1927.
Grey Singles ..	2,307	4,289	4,099	14,503	10,433	7,872	..	20	..	11	..	11	..	2	..	..	..	..	8	5	..	..	..	..	23	207	7,063	16,852	14,956	19,044
Coloured Singles	333	288	199	33	6	4	..	..	..	6	3	17	5	1	1	6	..	30	101	114	103	2	2	..	..	1	..	484	415	353
White Bleached	1,400	1,633	1,626	590	577	822	..	..	..	..	7	4	..	..	..	..	..	..	..	..	..	..	..	72	..	..	1	1,990	2,217	2,525
Grey Folded ..	489	1,479	1,350	3,591	3,955	3,541	..	..	..	6	72	49	..	..	..	..	..	..	1	..	..	..	..	..	36	15	382	4,123	5,521	5,323
Coloured Folded	449	416	192	2	..	1	..	..	..	..	..	..	..	..	..	..	..	..	12	9	19	1	5	2	..	..	..	463	430	213
Mercerised ..	285	256	292	2,445	3,804	4,870	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	1	8	..	..	..	..	2,731	4,076	5,162
Artificial Silk ..	461	414	1,617	6	..	..	..	..	..	1,172	2,318	4,322	28	18	52	72	181	270	83	244	366	113	74	150	67	119	517	2,002	3,367	7,295
Unspecified ..	9	1	6	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	11	2	6
Rope	666	686	628	..	7	1	93	100	16	10	10	1	..	..	..	..	1	1	..	..	..	2	1	..	11	22	4	782	827	651
Sewing Thread ..	566	501	611	20	6	1	..	..	..	..	..	1	13	8	12	34	77	94	..	..	..	8	16	2	80	56	102	721	664	822
TOTAL ..	6,963	9,963	10,619	21,191	18,789	17,110	93	128	16	1,204	2,409	4,406	46	30	65	112	259	395	205	372	488	126	105	226	218	420	8,070	30,158	32,474	41,394

Please see footnote to Table 20.

TABLE No. 23.

DETAILED IMPORTS OF COTTON YARN INTO BOMBAY.

(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			U. S. of America.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927
SINGLE GREY:—																														
1 to 10	..	..	..	29	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	260	30	..	260
11 to 20	7	45	..	1,343	259	114	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	20	1	653	1,370	305	767
21 to 30	247	136	106	150	22	107	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	397	158	213
31 to 40	754	2,180	2,232	12,098	9,837	7,436	..	20	..	10	..	8	..	2	..	..	..	..	8	5	..	..	..	..	3	206	6,150	12,874	12,250	15,820
41 to 50	584	847	715	159	37	134	..	..	..	..	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	743	884	856
51 to 60	297	402	568	629	263	82	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	926	665	649
Above 60	418	679	478	95	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	513	695	478
SINGLE COLOURED:—																														
1 to 20	2	1	..	1	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	3	1	1
21 to 30	19	5	9	..	..	..	..	..	..	3	..	4	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	22	5	13
31 to 40	255	223	108	5	..	3	..	..	..	3	3	14	5	1	..	6	..	30	101	110	99	2	2	..	..	..	..	376	339	254
41 to 50	53	52	82	4	6	1	..	..	..	..	..	..	..	..	..	..	..	..	..	4	3	..	..	..	..	..	..	57	62	86
Above 50	4	7	..	23	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	27	8	..
White, Bleached	1,400	1,633	1,626	590	577	822	..	..	..	..	7	4	..	..	..	..	..	..	..	..	..	..	..	72	..	..	1	1,990	2,217	2,525
Grey, Folded	489	1,479	1,350	3,591	3,955	3,541	..	..	..	6	72	49	..	..	..	..	..	..	1	..	..	..	..	..	36	15	382	4,123	5,521	5,323
Coloured, Folded	449	416	192	2	..	1	..	..	..	..	..	..	..	..	..	..	..	..	12	9	19	1	5	2	..	..	..	463	430	213
Mercerised	285	256	292	2,445	3,804	4,870	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	1	8	..	..	..	..	2,731	4,076	5,162
Artificial Silk	461	414	1,617	6	..	..	..	..	..	1,172	2,318	4,322	28	18	52	72	181	270	83	244	366	113	74	150	67	119	517	2,002	3,367	7,295
Unspecified sorts	9	1	6	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	11	2	6
Ropes	666	686	628	..	7	1	93	100	16	10	10	1	..	..	..	..	1	1	..	..	..	2	1	..	11	22	4	782	827	651
Sewing Thread	566	501	611	20	6	1	..	..	..	..	..	1	13	8	12	34	77	94	..	..	..	8	16	2	80	56	102	721	664	822
TOTAL ..	6,963	9,963	10,619	21,191	18,789	17,110	93	128	16	1,204	2,409	4,406	46	30	65	112	259	395	205	372	488	126	105	226	218	420	8,070	30,158	32,474	41,394

See footnote to table 20.

TABLE No. 24.

DETAILED EXPORTS FROM INDIA OF INDIAN-MADE YARN BY SEA.

(In thousands of pounds.)

Description.	European Countries.			China including Hongkong.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			Total.		
	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26.	1926	1927.	'25-26	1926	1927.	'25-26.	1926.	1927.
GREY YARN:—																																
1 to 10	2,372	1,300	958	3,746	5,809	220	1,015	558	1,192	1,222	1,529	1,418	43	60	57	632	849	1,095	581	442	371	852	635	1,076	..	52	243	29	29	23	10,492	11,262	6,652
11 to 20	788	394	350	4,460	7,744	300	3 175	2,982	3,113	1,102	1,056	1,091	70	105	63	1,500	2,106	2,120	1,712	1,652	1,601	3,605	3,963	4,077	1	1	2	7	8	2	16,421	20,011	12,717
21 to 30	6	..	3	..	..	..	..	..	10	68	66	17	2	3	...	..	..	5	208	373	324	84	83	23	..	..	..	..	..	..	369	526	381
31 to 40	..	..	..	..	..	..	..	..	..	7	2	6	..	..	..	..	..	..	14	25	5	5	10	29	..	..	..	..	..	..	26	37	40
Above 40	..	..	..	..	..	..	..	..	..	..	4	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..		..	..	4	1
TOTAL GREY ..	3,166	1,695	1,311	8,206	13,553	520	4,190	3,540	4,315	2,399	2,657	2,531	116	168	120	2,132	2,954	3,220	2,516	2,492	2,300	4,546	4,601	5,205	1	54	245	37	38	25	27,308	31,841	19,791
COLOURED YARN:—																																
1 to 20	..	..	4	..	..	..	..	..	1	133	141	58	8	9	4	6	12	9	45	33	24	37	31	34	..	..	..	4	6	..	232	232	134
21 to 40	..	..	..	..	..	..	..	..	..	27	35	28	6	4	1	..	..	..	76	111	71	7	9	7	..	..	..	..	..	..	118	159	107
Above 40	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	1	..	..	1	..	..	..	..	..	..	2	..	2
Total Coloured ..	..	..	4	..	..	..	..	..	1	160	176	87	16	14	5	6	12	9	121	144	96	44	40	42	..	..	..	4	6	..	352	392	242
White Bleached	54	..	5	..	..	..	631	807	509	42	56	49	2	1	1	105	203	66	5	17	39	104	124	143	..	..	..	..	1	11	943	1,209	824
Grey Doubles	527	710	1,128	1,474	4,231	752	285	335	1,162	96	235	1,589	..	..	31	181	467	1,142	369	341	409	245	146	272	..	..	..	1	..	14	3,177	6,466	6,499
Coloured Doubles	..	..	14	..	..	..	..	..	..	..	9	3	..	..	..	3	..	..	55	11	..	..	..	..	..	..	..	..	..	..	58	20	17
Unspecified Descriptions ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	36	32	35	..	..	..	..	..	..	..	..	..	36	32	35
Sewing Thread	2	3	1	..	..	..	..	..	..	15	16	15	116	98	101	..	..	..	21	23	27	99	75	102	1	4	5	1	..	..	254	220	252
GRAND TOTAL ..	3,750	2,408	2,464	9,680	17,784	1,272	5,106	4,682	5,985	2,712	3,149	4,274	250	281	257	2,427	3,637	4,437	3,123	3,061	2,907	5,037	5,077	5,763	2	57	251	43	44	51	32,126	40,181	27,661

NOTE:—"Egypt and North Africa" include Tripoli and Tunis.
"Red Sea Ports" include Anglo-Egyptian Sudan, Abyssinia, British Somaliland, French Somaliland, Somaliland Protectorate, and Aden and Dependencies.
"East Africa" includes Italian East Africa, Somaliland and Eritrea, Kenya, Uganda, Tanganyaka Territory, Portuguese East Africa, Zanzibar and Pemba and Seychelles.
"Levant and Black Sea Ports" include Palestine, Syria, Smyrna and Asiatic Turkey.
"Ceylon and Straits Settlements and beyond" include Labuan, Java, Siam, Indo-China, Federated Malay States, Maldive Islands, Fiji Islands, Sumatra, Dutch Borneo, Celebes, Philippines and Formosa.
"Persian Gulf" includes Mesopotamia, Muscat Territory, and Trucial Oman, other Native States in Arabia, Persia and Bahrein Islands.
"South Africa" includes Natal, Transvaal, Cape of Good Hope, Mauritius and Madagascar.
"Other Countries" include Japan, America, Reunion Islands, New Zealand, Canada, British Guiana, and Australia.

See also foot-note to Table 20.

TABLE No. 25

DETAILED EXPORTS OF INDIAN-MADE YARN BY SEA FROM BOMBAY.

(In thousands of pounds.)

	European Countries.			China Including Hongkong.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			TOTAL.		
	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.
GREY YARN:—																																
1 to 10	2369	1300	958	3552	5809	220	1015	558	1192	1222	1529	1418	43	60	57	632	849	1095	578	436	357	852	634	1076	..	50	243	4	8	9	10268	11234	6624
11 to 20	788	394	350	4419	7555	150	3175	2967	2942	1103	1056	1091	70	105	62	1500	2106	2120	1701	1637	1585	3596	3951	4060	..	1	1	4	8	2	16356	19779	12363
21 to 30	6	..	3	..	..	..	..	..	..	68	66	16	2	3	..	..	..	5	205	372	323	84	83	23	..	..	..	..	..	..	366	525	370
31 to 40	..	..	..	..	..	..	..	..	..	7	2	5	..	..	..	..	..	..	13	24	5	5	10	29	..	..	..	..	..	..	26	36	40
Above 40	..	..	..	..	..	..	..	..	..	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..
TOTAL GREY ..	3164	1695	1311	7971	13363	370	4190	3525	4134	2400	2657	2530	116	168	119	2132	2954	3220	2496	2470	2270	4537	4679	5188	..	51	244	8	17	11	27015	31578	19397
COLOURED YARN:—																																
1 to 20	..	..	4	..	..	..	..	..	1	133	141	58	8	9	4	6	12	9	43	29	18	37	31	34	..	..	..	2	4	..	229	226	128
21 to 40	..	..	..	..	..	..	..	..	..	27	35	28	7	4	1	..	..	..	76	110	71	8	9	7	..	..	..	..	..	..	117	159	107
Above 40	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	1	..	..	1	..	..	..	..	..	..	2	..	2
TOTAL COLOURED ..	..	..	4	..	..	..	..	..	1	160	176	86	17	14	5	6	12	9	119	139	90	44	40	42	..	..	..	2	4	..	348	385	237
White Bleached	54	..	5	..	..	..	631	807	509	42	56	49	2	1	..	105	203	66	1	13	29	104	124	143	..	..	..	..	..	11	939	1205	814
Grey Doubles	527	710	1128	1474	4231	752	285	335	1162	96	235	1589	1	..	31	336	467	1142	368	341	409	90	146	272	..	..	..	..	..	14	3176	6466	6499
Coloured Doubles	..	..	14	..	..	..	..	..	..	..	9	3	..	..	..	3	..	..	55	11	..	..	..	..	..	..	..	..	..	..	58	20	17
Unspecified Descriptions	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sewing Thread	2	..	1	..	..	..	..	..	..	15	16	15	112	98	101	..	..	..	21	22	27	93	73	102	3	4	5	..	..	..	247	214	251
GRAND TOTAL ..	3747	2405	2464	9445	17594	1122	5106	4666	5805	2714	3150	4272	247	281	256	2582	3637	4437	3059	2996	2825	4868	5064	5746	3	54	249	10	21	36	31783	39868	27215

See foot-note to Tables 20 and 24

TABLE No. 26.

SUMMARY OF IMPORTS OF COTTON PIECEGOODS INTO INDIA IN 1927.

(Quantities in thousands of Yards.)

—	United Kingdom.			Japan.			U.S. of America.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1925-26.	1926.	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	1925-26	1926	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	1925 26	1926.	1927.
Grey Plain	146,409	154,873	166,240	128,428	118,350	184,130	2,460	2,241	3,065	7	3	49	2	..	..	17	39	..	17	..	4	23	67	..	2 491	2,140	7,079	279,853	277,713	360,568
Grey Bordered ..	414,982	481,483	475,018	14,181	27,651	33,238	..	..	..	..	..	..	..	..	..	10	10	..	3	..	..	..	18	..	56	31	5	429,232	509,193	508,260
White Bleached ..	446,266	525,837	542,669	4,675	3,483	5,511	160	307	467	988	1,715	1,099	48	91	193	6,328	5,801	7,633	5,804	7,462	10,082	110	213	158	733	872	1,029	465,112	545,781	568,846
Printed	150,389	147,285	182,201	8,162	8,118	19,662	87	219	375	3,270	6,430	15,054	..	241	285	1,723	1,296	1,207	293	423	593	366	1,236	916	2,587	2,556	3,304	166,877	167,802	223,602
Dyed	82,682	113,531	111,151	17,630	24,228	32,125	483	674	1,116	1,756	2,186	2,944	67	93	140	2,586	3,812	4,434	788	1,548	1,237	373	466	316	506	616	1,087	106,871	147,153	154,550
Woven Coloured ..	34,313	46,373	42,604	43,750	50,146	56,897	72	75	134	4,781	5,250	5,364	870	1,620	1,260	5,791	7,956	6,471	467	769	737	1,019	1,529	1,327	1,025	718	485	92,088	114,435	115,283
Fents of all descriptions	11,646	9,952	12,596	..	18	14	11,884	11,770	21,177	76	13	27	..	8	..	18	27	13	13	56	131	38	32	52	5	8	23	23,680	21,883	34,032
Towels in the piece ..	1	9	9	..	11	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	1	20	11
Piece goods of Cotton and Artificial Silk..	6,513	14,182	13,268	9	31	642	66	214	223	4,978	11,774	13,493	319	847	716	34	73	77	2,317	5,336	8,726	554	2,058	4,192	572	1,314	3,262	15,362	35,830	44,598
Canvas	528	729	556	17	29	57	3	4	..	115	171	306	..	..	..	..	..	..	..	8	..	56	46	29	9	18	22	728	1,005	971
TOTAL ..	1,293,729	1,49,4254	1,546,312	216,852	232,065	332,278	15,215	15,504	26,557	15,971	27,542	38,337	1,306	2,899	2,594	16,507	19,014	19,841	9,702	15,602	21,514	2,539	5,664	6,990	7,983	8,273	16,296	1,579,804	1,820,817	2,010,719

See foot-note to Table 20.

TABLE No. 27.

DETAILED IMPORTS OF COTTON PIECE-GOODS INTO INDIA IN 1927.

(In thousands of Yards.)

	United Kingdom.			Japan.			U.S.A.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			All other countries.			Total.		
	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.
GREY (UNBLEACHED).																														
PLAIN GREY.																														
Chadars	46	4	12	24	..	..	..	..	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	33	33	20	108	37	32
Dhutis, Saris & Scarves	804	1,134	1,192	114	172	310	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	..	918	1,312	1,502
Drills & Jeans	854	532	408	16,190	12,506	11,759	2,153	2,093	2,547	..	..	17	..	..	..	14	37	..	..	..	..	20	60	..	180	82	69	19,411	15,310	14,800
Flannels & Flannelettes	3	3	2	8	..	..	..	..	..	..	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	11	3	7
Jaconets including Madapollams, etc.	56,840	74,188	76,747	122	89	4	37	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	19	24	57,000	74,296	76,775
Longcloth & Shirtings	87,230	78,378	87,254	83,566	87,851	152,685	20	..	40	..	..	..	..	..	..	2	2	..	10	..	4	..	..	..	379	128	2,424	171,207	166,359	242,403
Printers	4	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4	2	..
Sheetings	96	263	40	28,201	17,609	18,936	214	123	478	..	..	19	..	..	..	..	..	..	..	..	..	..	2	..	1,888	1,859	4,528	30,399	19,856	24,000
T-cloth & Domestics	277	254	264	195	107	311	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3	4	..	1	..	..	476	365	576
Unspecified Descriptions	255	116	321	8	15	125	36	25	..	2	..	8	2	..	..	..	..	..	6	..	..	..	2	..	9	13	14	319	173	468
Total Plain Grey	146,409	154,873	166,241	128,428	118,350	184,130	2,460	2,241	3,065	7	3	49	2	..	..	16	39	..	16	..	4	23	67	..	2,491	2,140	7,079	279,853	277,713	360,568
BORDERED GREY.																														
Chadars	637	1,005	1,052	10	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	25	..	..	672	1,015	1,052
Dhutis, Saris & Scarves	414,185	480,262	473,921	14,153	27,479	33,238	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	18	..	15	19	5	428,354	507,777	507,164
Drills & Jeans	6	9	2	10	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	16	19	2
Flannel & Flannelettes	8	11	9	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	19	9
Jaconets, etc.	27	18	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	13	13	..	40	31	3
Longcloth & Shirtings	109	122	..	..	144	..	..	..	..	..	..	..	..	..	..	10	10	..	..	..	..	..	..	..	..	..	..	120	276	..
Printers	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	..	14	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4	..	..	..	..	..	2	..	..	14	14	..
T-cloths & Domestics	6	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	4	..
Unspecified Descriptions	4	38	30	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4	38	30
Total Bordered Grey	414,982	481,483	475,018	14,181	27,651	33,238	..	..	..	..	..	..	..	..	..	10	10	..	4	..	..	..	18	..	55	31	5	429,232	509,193	508,260
Total Grey Unbleached	561,391	636,356	641,259	142,609	146,001	217,368	2,460	2,241	3,065	7	3	49	2	..	..	26	49	..	20	..	4	23	85	..	2,546	2,171	7,084	709,085	786,906	868,828
WHITE BLEACHED.																														
Chadars	277	311	251	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	277	311	251
Checks, Spots & Stripes	6,373	9,138	11,374	42	9	..	16	22	28	55	65	102	10	..	..	10	..	..	500	865	1,238	..	..	2	14	23	76	7,020	10,122	12,820
Dhutis, Saris & Scarves	72,577	109,958	87,055	1	20	134	..	6	..	..	..	..	..	..	..	..	..	3	3	1	3	1	5	..	8	2	2	72,590	109,993	87,197
Drills & Jeans	3,400	3,469	3,815	2,683	1,969	2,690	4	37	17	..	5	40	..	..	6	..	3	6	5	1	..	2	5	1	12	10	12	6,106	5,499	6,586
Flannel & Flannelettes	12	15	43	45	28	..	..	..	..	3	..	..	..	..	..	..	..	..	7	..	..	..	..	11	..	1	..	67	44	54
Jaconets, Madapollams, etc.	7,089	9,894	8,750	96	34	..	50	167	379	238	412	557	2	18	1	332	400	418	1,324	2,428	3,397	22	75	11	245	335	439	9,398	13,762	13,950
Lawns	8,366	15,663	8,255	9	5	24	..	..	..	113	158	70	4	3	11	..	3	..	310	218	253	4	3	4	49	46	32	8,855	16,100	8,650
Longcloth & Shirtings	86,505	86,458	104,116	1,275	1,086	1,979	..	..	32	97	50	8	..	..	100	5,804	5,360	7,004	10	24	9	6	13	10	90	83	94	93,787	93,073	113,332
Mulls	167,261	205,512	217,508	..	..	..	..	1	..	..	..	..	..	..	..	34	14	113	1,283	18	5	3	2	9	22	18	70	168,603	205,565	217,703
Nainsooks	75,482	64,204	78,576	120	8	22	..	..	..	208	579	65	..	..	5	105	6	72	972	1,932	3,833	..	..	..	111	131	56	76,998	66,861	82,629
Sheetings	111	188	133	24	14	..	..	4	4	..	1	..	..	..	..	29	6	2	..	..	..	..	..	..	..	..	1	164	212	140
T-cloths & Domestics	7	4	..	12	..	..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	25	4	..
Twills	12,167	11,443	14,261	8	70	97	..	..	3	24	20	2	1	..	..	4	..	3	16	15	25	..	1	..	6	5	3	12,226	11,558	14,395
Unspecified Descriptions	6,639	9,580	8,532	359	240	566	83	69	5	250	424	257	31	70	70	10	11	17	1,374	1,961	1,318	72	108	109	177	217	244	8,995	12,680	11,119
Total White Bleached	446,266	525,837	542,669	4,675	3,483	5,511	160	307	467	988	1,715	1,100	48	91	193	6,328	5,801	7,638	5,804	7,462	10,082	110	213	158	734	872	1,029	465,112	545,781	568,846

Coloured, Printed or Dyed.																														
Printed Goods.																														
Cambrics, etc.	21,759	16,752	22,671	90	25	46	47	195	185	27	348	10	..	..	..	..	..	..	36	58	131	15	6	14	32	51	75	22,006	17,435	23,132
Chadars	..	10	..	..	18	..	..	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	30	..
Checks, Spots & Stripes ..	844	970	1,304	351	207	99	..	..	..	37	14	30	3	204	285	3	55	10	..	..	3	..	226	335	3	7	9	1,241	1,682	2,076
Dhutis	..	513	302	..	11	..	..	..	..	..	..	..	..	..	..	83	202	250	..	16	37	..	..	..	178	544	1,221	261	1,286	1,809
Drills & Jeans	15,512	14,119	20,291	147	1,445	9,430	..	..	..	17	23	91	..	36	..	..	28	..	..	..	..	..	..	..	..	1	5	15,676	15,651	29,817
Flannel & Flannelettes ..	174	227	200	2,427	4,523	4,994	..	..	..	975	3,475	7,015	..	..	..	..	..	..	..	15	..	6	18	28	7	..	26	3,590	8,258	12,263
Lungis	4,066	1,977	6,219	98	..	15	..	..	..	59	..	51	..	..	..	459	407	41	9	18	..	..	..	..	559	552	3	5,250	2,953	6,329
Prints & Chintz	50,144	46,287	58,911	3,307	959	741	..	9	46	345	271	1,246	..	..	..	..	..	18	122	206	310	..	5	..	152	195	196	54,070	47,931	61,467
Saris & Scarves	26,171	26,997	25,628	23	4	11	..	..	..	6	6	..	..	..	..	..	..	..	1	3	1	..	..	..	12	..	2	26,213	27,010	25,641
Sateens	3,525	3,591	4,988	49	49	63	..	..	..	12	18	16	..	..	..	..	..	..	..	..	..	..	..	..	..	2	1	3,586	3,660	5,068
Shirtings	14,912	18,982	25,939	1,249	664	2,615	..	..	1	136	428	527	..	..	..	..	7	22	..	..	2	..	..	..	8	50	13	16,305	20,132	29,120
Twills	5,267	8,562	9,176	44	89	709	..	..	..	1,559	1,766	5,651	..	..	..	..	..	..	..	5	34	..	..	5	2	..	..	6,872	10,423	15,575
Woven Lungis & Sarongs ..	817	2,893	809	38	3	3	..	..	..	9	..	..	..	..	..	1,161	551	803	93	75	62	..	..	..	1,579	917	1,623	3,697	4,438	3,300
Unspecified Descriptions ..	7,219	5,407	5,765	339	121	937	40	12	142	89	80	418	10	1	1	17	47	64	32	28	17	345	981	533	20	236	130	8,111	6,913	8,006
Total Printed Goods ..	150,410	147,285	182,201	8,162	8,118	19,662	87	219	375	3,271	6,430	15,054	13	241	286	1,723	1,296	1,208	293	423	598	366	1,236	916	2,552	2,556	3,304	166,877	167,802	223,602
Dyed Goods.																														
Cambrics, etc.	10,810	17,439	20,245	36	27	77	185	275	524	94	327	413	..	12	..	113	274	507	342	1,103	1,070	12	48	36	36	43	132	11,628	19,548	23,004
Chadars	3	14	68	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3	14	68
Checks, Spots & Stripes ..	5,242	8,029	8,069	50	226	1,127	28	14	122	54	61	129	27	32	17	35	..	2	52	75	34	..	4	6	34	34	..	5,522	8,475	9,505
Dhutis	96	85	128	102	102	..	..	..	..	13	13	..	..	..	..	..	22	..	..	..	..	..	..	..	2	..	..	213	222	128
Drills and Jeans	2,835	3,213	3,162	481	1,923	6,400	..	..	10	..	88	..	..	..	..	156	187	299	..	17	..	..	..	..	4	5	68	3,476	5,432	9,939
Flannel & Flannelettes ..	251	144	56	2,284	4,602	4,446	..	2	..	180	435	245	..	..	..	1	14	..	..	4	..	6	39	24	11	..	13	2,733	5,241	4,784
Italian Cloths & Sateens ..	12,598	25,712	19,525	43	133	567	25	7	5	247	215	493	..	..	..	..	..	..	6	..	33	..	20	12	15	28	165	12,934	26,120	20,799
Lungis	112	157	66	30	..	..	..	..	..	..	..	3	1	..	..	441	180	121	2	6	..	3	1	..	1	5	5	590	343	195
Prints & Chintz	435	941	1,787	1,243	621	1,424	..	..	2	..	..	130	..	..	14	..	..	4	..	..	..	..	..	..	3	1	4	1,681	1,577	3,364
Saris & Scarves	663	1,560	3,342	..	..	..	..	..	..	..	..	..	..	..	..	..	33	99	2	13	..	..	..	..	3	10	6	668	1,605	3,447
Shirtings	21,790	27,299	28,383	5,213	8,698	6,225	..	12	1	52	361	456	..	..	2	1,782	2,885	2,904	..	3	19	5	23	6	46	71	39	28,888	39,348	38,034
Twills	9,650	8,672	11,539	129	255	473	..	..	..	137	235	757	5	2	..	..	..	..	38	3	..	..	7	6	44	12	13	10,003	9,185	12,789
Woven Lungis & Sarongs ..	74	214	209	..	..	..	..	..	..	..	..	..	..	..	..	28	79	407	..	10	8	..	..	..	2	..	4	104	303	627
Unspecified Descriptions ..	18,123	20,052	14,572	8,019	7,641	11,387	245	363	452	979	451	818	34	47	106	30	138	94	345	314	74	346	324	226	306	408	638	28,428	29,738	27,867
Total Dyed Goods ..	82,682	113,531	111,151	17,630	24,228	32,125	483	674	1,116	1,756	2,186	2,944	67	93	140	2,586	3,812	4,434	788	1,548	1,237	373	466	316	506	616	1,087	106,871	147,153	154,850
Woven Coloured Goods.																														
Cambrics, etc.	873	1,342	1,979	1	..	..	32	..	1	11	34	150	..	..	3	..	..	12	187	355	520	..	5	10	..	..	5	1,104	1,737	2,679
Chadars	..	4	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	4	3
Checks, Spots, etc.	2,089	3,520	3,866	1,821	1,133	1,338	..	..	5	43	30	35	18	11	12	18	15	3	3	..	4	5	..	..	10	..	10	4,007	4,711	6,274
Coatings & Trouserings ..	3,028	4,052	4,341	488	535	325	..	12	34	2,506	2,654	2,407	797	1,447	1,162	79	101	69	18	..	13	347	715	485	21	61	31	7,283	9,578	8,867
Dhutis	97	353	186	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	97	353	186
Drills & Jeans	813	1,173	1,959	12,268	16,296	24,007	..	..	..	30	111	153	1	..	..	93	180	94	..	..	..	..	48	5	1	23	..	13,206	17,831	26,218
Flannel & Flannelettes ..	245	163	258	3,273	4,549	3,593	..	..	..	459	423	431	..	..	..	..	28	..	..	2	..	..	13	32	2	1	1	3,979	5,178	4,316
Lungis & Sarongs ..	2,397	3,537	2,705	15	9	2	..	..	..	..	2	..	..	..	..	5,255	7,214	5,863	18	23	32	1	5	..	9	8	14	7,695	10,798	8,615
Prints & Chintz	173	251	46	96	96	..	..	..	..	..	..	..	6	..	..	..	..	..	..	..	..	..	..	..	..	1	..	275	347	46
Saris & Scarves	2,353	5,308	4,975	4	8	9	..	..	..	..	1	..	2	..	..	11	103	43	4	..	..	17	1	..	7	4	1	2,398	5,425	5,029
Shirtings	5,151	5,419	4,462	21,019	22,140	16,744	..	2	6	404	383	547	3	1	..	11	23	19	4	10	..	111	47	35	554	262	150	27,258	28,286	21,964
Twills	864	1,773	1,680	2,507	2,961	10,037	..	2	..	43	112	129	..	..	..	..	..	3	..	..	..	..	14	1	79	6	2	3,493	4,868	11,853
Velvets & Velveteens ..	790	1,393	951	33	67	161	..	2	..	46	223	38	7	75	13	13	46	26	..	..	..	300	422	533	30	39	34	1,219	2,268	1,757
Unspecified Descriptions ..	15,440	18,084	14,192	2,226	2,353	681	40	56	83	1,240	1,276	1,474	36	85	70	310	245	339	234	379	168	237	259	226	311	313	235	20,075	23,051	17,473
Total Woven Coloured .	34,313	46,373	42,604	43,750	50,146	56,897	73	75	134	4,781	5,250	5,364	870	1,620	1,260	5,791	7,956	6,471	467	769	737	1,019	1,529	1,327	1,025	718	485	92,088	114,435	115,280
Total Coloured, Printed or Dyed	267,405	307,189	335,956	69,542	82,492	108,684	642	968	1,625	9,807	13,866	23,382	950	1,953	1,689	10,101	13,064	12,113	1,547	2,740	2,572	1,758	3,230	2,559	4,084	3,890	4,876	365,836	429,390	493,432
Fents of all Descriptions ..	11,646	9,952	12,596	..	18	14	11,884	11,770	21,177	76	13	26	..	8	..	18	27	13	13	56	131	38	32	52	5	8	23	23,680	21,883	34,032
Total Piecegoods. .	1,286,708	1,479,334	1,532,480	216,826	231,994	331,577	15,146	15,286	26,334	10,878	15,597	24,537	1,000	2,052	1,879	16,473	18,941	19,764	7,384	10,258	12,789	1,930	3,560	2,769	7,369	6,941	13,013	1,563,713	1,783,962	1,965,138
Towels in the Piece.. ..	1	9	9	..	11	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	1	20	11
Piecegoods of Cotton and Artificial Silk	6,513	14,182	13,268	9	31	642	66	214	223	4,978	11,774	13,493	319	847	716	34	73	77	2,317	5,336	8,726	554	2,058	4,192	572	1,314	3,262	15,362	35,830	44,598
Canvas	528	729	556	17	29	57	3	4	..	115	171	306	..	..	..	2	..	..	..	8	..	56	46	29	7	18	22	728	1,005	971
Total ..	1,293,750	1,494,254	1,546,312	216,852	232,065	332,278	15,215	15,504	26,557	15,972	27,542	38,337	1,319	2,899	2,594	16,509	19,014	19,841	9,701	15,602	21,514	2,539	5,664	6,990	7,948	8,273	16,296	1,579,805	1,820,817	2,010,719

Please see foot-note to Table 20.

TABLE No. 28.

DETAILED IMPORTS OF COTTON PIECE-GOODS INTO BOMBAY.

(Imports in Thousands of Yards.)

	United Kingdom.			Japan.			U. S. A.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other countries.			Total.		
	1925-26	1926	1927	1925-26	1926	1927.	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927	1925-26	1926	1927
GREY (Unbleached):—																														
Plain Grey:—																														
Chadars	46	4	12	24	..	..	..	..	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	33	34	20	108	78	32
Dhutis, Saries, etc.	320	601	903	59	54	250	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	379	655	1,154
Drills and Jeans	810	293	188	10,251	6,711	5,912	1,036	983	1,161	..	..	..	..	..	..	..	..	..	..	..	..	20	60	..	75	24	15	12,242	8,082	7,275
Flannels and Flannelettes	..	3	2	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	3	2
Jaconets	13,109	13,828	20,961	20	37	4	37	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	18	9	13,165	13,883	20,974
Longcloth	12,753	11,293	10,586	52,238	44,173	63,053	20	..	..	..	..	..	..	..	..	2	2	..	..	..	4	..	..	..	280	84	1,778	65,294	55,557	78,421
Printers	3	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	4	2	..
Sheetings	50	165	3	20,181	10,453	11,961	194	123	478	..	..	19	..	..	..	..	..	..	..	..	..	..	2	..	1,234	1,213	3,641	21,658	11,957	16,101
T-cloth and Domestics	20	10	96	98	80	287	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	3	4	..	..	..	..	121	94	384
Unspecified Sorts	33	22	61	3	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4	..	41	27	60
TOTAL PLAIN GREY ..	27,149	26,233	32,812	82,831	61,599	84,437	1,337	1,112	1,639	5	..	19	..	..	..	2	2	..	1	..	4	23	65	..	1,622	1,375	5,462	113,020	90,296	124,403
BORDERED GREY:—																														
Chadars	2	14	..	10	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	25	..	..	37	24	7,460
Dhuties, etc.	7,106	5,052	5,643	463	955	1,816	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	18	..	15	15	1	7,584	6,040	2
Drills and Jeans	6	9	2	10	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	16	19	9
Flannels, etc...	8	11	9	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	19	3
Jaconets etc.	10	18	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	13	13	..	23	31	..
Longcloth, etc.	94	103	..	..	144	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	94	247	..
Printers	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	..	14	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4	..	..	..	..	..	..	..	..	4	14	..
T-cloth, etc.	6	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	4	..
Unspecified Sorts	..	..	30	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	30
TOTAL BORDERED GREY.	7,232	5,225	5,687	483	1,127	1,816	..	..	..	..	..	..	..	..	..	..	..	..	4	..	..	..	18	..	53	28	1	7,772	6,398	7,504
TOTAL GREY	34,331	31,458	38,499	83,364	62,636	83,283	1,337	1,112	1,638	5	..	19	..	..	..	2	2	..	5	..	..	23	83	..	1,675	1,403	5,463	120,792	96,694	131,907
WHITE BLEACHED:—																														
Chadars	59	89	18	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	59	89	18
Checks, etc.	1,424	2,172	1,550	6	..	..	16	22	10	3	3	..	..	..	..	..	..	..	95	103	..	..	5	..	2	6	..	1,547	2,305	1,560
Dhutis, etc.	12,548	9,872	11,064	1	17	130	..	7	..	..	..	..	..	..	..	..	..	3	3	1	..	1	5	..	..	2	2	12,554	9,904	11,200
Drills and Jeans	2,274	2,297	2,787	209	283	414	..	6	17	..	..	..	..	..	2	..	..	..	5	1	..	2	3	1	3	..	..	2,492	2,596	3,202
Flannels, etc.	..	2	40	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	7	..	..	..	..	..	..	..	..	12	2	40
Jaconets, etc.	2,121	2,534	1,781	..	..	..	40	167	329	134	143	111	..	1	..	38	20	63	830	1,407	1,414	21	40	5	37	79	27	3,221	4,430	3,729
Lawns	382	500	263	..	..	24	..	..	..	..	..	3	..	..	..	..	..	..	8	8	26	..	13	..	..	..	..	390	508	316
Longcloth	19,032	16,586	25,820	395	190	429	..	..	30	6	4	..	..	..	100	2,145	1,949	2,022	10	24	8	5	..	2	17	22	6	21,640	18,789	28,417
Mulls	23,120	33,460	35,676	..	..	..	..	1	..	..	..	..	..	..	..	..	..	43	1,283	18	1	2	..	..	..	14	30	30,405	33,493	35,750
Nainsooks	21,075	6,823	16,313	..	6	22	..	..	..	203	572	46	..	..	5	101	4	72	957	1,909	3,831	..	..	..	103	125	53	22,438	9,438	20,342
Sheetings	65	56	35	..	..	..	..	..	..	..	..	..	..	..	..	9	6	2	..	..	..	..	..	..	..	..	..	74	61	37
T-cloth, etc.	4	1	..	..	..	..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	10	1	..
Twills	2,463	3,041	3,030	..	1	86	..	..	3	15	20	..	1	..	..	..	..	3	16	15	25	..	8	..	6	4	1	2,501	3,082	3,178
Unspecified Sorts	2,605	3,103	2,142	65	4	..	72	24	2	186	286	144	30	64	60	2	..	1	1,130	1,554	1,200	55	90	90	103	57	61	4,248	5,181	3,699
TOTAL WHITE BLEACHED..	93,202	80,586	100,529	679	504	1,106	135	227	390	547	1,031	303	31	65	167	2,295	1,979	2,209	4,344	5,039	6,506	87	162	93	272	306	180	101,591	89,830	111,488

COLOURED, PRINTED OR DYED.																															
PRINTED GOODS:—																															
Cambrics	8,116	4,010	7,371	85	16	..	47	187	158	10	26	2	..	..	..	..	..	..	36	53	86	15	6	..	..	2	..	8,310	4,301	7,617
Chadars	..	9	..	..	..	..	..	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	12	..
Checks, etc.	308	369	353	12	70	9	..	..	..	4	..	15	..	..	..	..	..	..	..	..	..	..	..	..	..	1	9	325	440	386
Dhutis, etc.	..	..	8	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8
Drills and Jeans	2,011	1,679	2,915	..	262	5,097	..	..	..	..	23	..	..	36	..	..	..	..	..	..	..	..	..	..	..	..	5	2,011	2,001	8,016
Flannels, etc.	39	169	76	579	2,036	1,229	..	..	..	376	1,310	2,251	..	..	..	..	..	..	..	7	..	..	..	..	..	..	26	995	3,523	3 582
Lungis	12	16	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	..	..	18	16	..
Prints and Chintz	38,336	31,129	42,813	347	179	115	..	9	15	308	98	949	..	..	..	..	..	2	122	193	284	..	5	..	..	2	8	39,114	31,615	44,185
Saries and Scarves	13 962	8,271	8,561	23	4	10	..	..	..	6	6	..	..	..	..	..	..	..	..	3	1	..	..	..	..	..	..	13,991	8,285	8,572
Sateens	1,099	808	1,304	..	..	..	..	..	..	12	..	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1,111	808	1,314
Shirtings	1,055	1,434	1,662	153	236	339	..	..	..	..	..	9	..	..	..	..	..	7	..	..	..	..	..	..	2	..	9	1,210	1,677	2,020
Twills	889	1,049	1,498	26	23	575	..	..	..	395	321	805	..	..	..	..	..	..	..	1	..	..	..	..	3	..	..	1,313	1,393	2,879
Woven Lungis, etc.	3	42	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	1	..	3	43	15
Unspecified	3,753	1,649	1,620	66	2	11	40	3	80	10	2	6	..	5	..	..	..	4	..	30	6	..	3	22	16	12	3	3,918	1,690	1,734
TOTAL PRINTED	69,583	50,634	68,195	1,292	2,828	7,386	87	202	252	1.123	1,786	4,047	5	36	..	..	11	2	188	264	371	18	33	17	23	9	58	72,318	55,603	80,327
DYED GOODS:—																														10,529
Cambrics	5,504	9,142	9,603	26	12	43	77	206	313	68	136	22	1	3	..	..	..	..	198	789	534	..	24	10	16	33	5	5,690	10,346	2
Chadars	..	2	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	3,760
Checks, etc.	2,709	4,160	3,595	9	24	150	..	14	9	10	11	..	21	32	..	..	..	2	23	41	..	..	..	4	2	3	..	2,774	4,285	10
Dhutis	36	41	10	..	..	..	..	..	..	..	..	..	..	..	..	..	20	..	..	..	..	..	..	..	..	..	..	36	61	2,413
Drills and Jeans	2,210	2,680	2,297	143	177	113	..	..	..	..	..	..	..	..	..	4	17	..	..	..	..	..	..	..	5	4	3	2,362	2,878	1,614
Flannels, etc.	124	120	24	766	1,407	1,502	..	2	..	180	113	88	..	..	..	1	..	..	..	4	..	..	..	..	..	..	..	1,071	1,647	8,563
Italian Cloth	4,972	10,694	7,949	25	20	143	25	..	5	91	117	293	..	..	..	..	..	..	..	..	33	..	20	12	2	4	128	5,115	10,855	2
Lungis	30	14	2	..	..	..	..	..	..	..	..	..	..	..	14	..	..	..	..	13	..	..	..	..	..	..	..	3	50	7
Prints and Chintz	3	37	88	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	..	..	..	..	..	..	..	36	56	11,090
Saries and Scarves	34	56	7	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	4	4	3	4	9	6	10,758	11,056	11
Shirtings	8,984	9,472	10,015	1,751	1,559	1,038	..	12	..	11	..	23	..	..	..	..	..	..	..	..	..	..	7	6	41	12	12	3,200	3,987	6,252
Twills	3,017	3,677	5,370	16	55	151	..	..	..	122	232	713	4	2	..	..	..	..	..	3	..	..	..	..	2	..	4	55	163	136
Woven Lungis	53	159	123	..	..	..	..	..	..	..	..	..	..	..	..	..	4	10	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified	7,773	6,075	4,283	845	1,104	1,805	177	104	252	632	311	44	16	11	6	20	27	..	33	210	34	176	148	100	115	154	72	10,091	8,142	6,595
TOTAL DYED	35,449	46,331	43,367	3,581	4,358	4,846	279	338	579	1,114	921	1,183	42	48	19	25	67	12	560	1,060	605	180	202	124	189	218	230	41,420	53,548	51,074
WOVEN COLOURED:—																															
Cambrics	226	474	524	..	..	..	31	..	..	9	11	..	..	..	..	..	..	..	158	314	405	..	5	6	..	..	1	424	804	936
Chadars	..	4	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	4	3
Checks, etc.	1,181	2,039	2,478	83	233	310	..	..	21	14	6	14	7	11	..	2	..	..	..	..	4	3	..	..	2	..	3	1,292	2,290	2,814
Coatings, etc.	777	1,909	2,047	9	35	61	..	..	9	18	1,379	1,449	1,415	522	855	599	40	87	56	2	..	13	33	293	328	14	50	13	2,776	4,687	4,564
Dhutis	..	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2
Drills and Jeans	26	149	37	2,672	3,248	5,960	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	48	..	..	22	..	2,699	3,467	5,997
Flannels, etc.	109	89	59	86	75	16	..	..	..	72	65	187	..	..	..	..	..	..	..	2	..	..	..	1	..	..	1	268	230	264
Lungis and Sarongs	144	161	10	15	9	..	..	..	..	..	..	..	..	..	..	1	3	..	5	..	..	..	..	..	3	..	..	168	173	10
Prints and Chintz	..	36	11	..	..	9	..	..	..	..	..	..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	26	11
Saries and Scarves	45	53	35	4	4	..	..	..	..	..	1	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	51	58	44
Shirtings	1,952	2,838	1,781	3,956	6,785	3,916	..	..	1	6	3	1	66	3	1	..	..	6	7	..	..	..	..	4	2	7	39	5,916	9,639	5,819
Twills	254	473	258	634	1,215	5,870	..	2	..	43	95	129	..	..	..	..	..	3	..	..	..	..	14	1	79	6	2	1,010	1,804	6,263
Velvets	509	466	398	..	..	9	..	2	..	7	4	28	5	7	3	11	6	4	..	..	..	188	289	271	18	8	19	738	782	733
Unspecified	1,455	440	222	410	44	38	..	1	64	163	89	59	16	35	31	24	5	10	60	31	5	7	7	..	72	4	6	2,207	656	435
TOTAL WOVEN	6,678	9,131	7,863	7,870	11,649	16,188	31	15	109	1,690	1,722	1,897	562	909	634	78	107	81	223	347	427	231	655	611	190	97	85	17,556	24,631	27,894
TOTAL COLOURED, PRINTED & DYED	111,710	106,096	119,425	12,743	18,835	28,520	397	555	940	3 927	4,429	7,127	609	993	653	103	185	95	972	1,671	1,403	429	890	762	400	324	373	131,284	133,977	159,295
Fents of all kinds	10,421	8,656	11,196	..	18	14	11,509	11 359	20,681	76	10	26	..	8	..	11	7	..	13	50	131	25	21	26	..	4	21	22,055	20,133	32,096
TOTAL PIECEGOODS	249,714	226,776	269,649	96,786	81,993	115,923	13,378	13,253	23,649	4,555	5,470	7,475	641	1,066	820	2,411	2,173	2,204	5,333	6,760	8,040	564	1,156	886	2,247	2,037	6,037	375,735	340,684	434,786
Towels in the Piece	1	2	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	2	1
Piecegoods of Cotton and Artificial Silk	3,351	7,865	6,374	1	4	36	54	202	222	2,973	5,124	5,425	278	670	519	14	39	4	2,022	4,818	7,688	352	1,461	2,432	283	875	2,153	9,828	21,059	24,804
Canvas	317	395	240	7	23	33	3	4	..	99	129	200	..	..	..	2	..	..	..	8	..	30	34	15	1	7	..	458	600	488
GRAND TOTAL	253,384	235,039	276,264	96,795	82,020	115,992	13,437	13,459	23,872	7,626	10,723	13,100	919	1,735	1,339	2,426	2,211	2,308	7,355	11,586	15,681	946	2,651	3,333	2,632	2,920	8,191	385,822	362,345	460,086

See foot-note to Table 20

TABLE No. 29.

SUMMARY OF IMPORTS OF COTTON PIECE-GOODS INTO BOMBAY IN 1927.

(Quantities in thousands of yards.)

	United Kingdom.			Japan.			U.S. of America.			Italy.			Belgium.			Netherlands.			Switzerland.			Germany.			Other Countries.			Total.		
	1925-26.	1926.	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	1925-26	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927	1925-26.	1926.	1927.
Grey Plain	27,149	26,233	32,812	82,881	61,509	84,467	1,337	1,112	1,638	5	..	19	..	..	..	2	2	..	1	..	4	23	65	..	1,622	1,375	5,462	113,020	90,296	124,403
Grey Bordered ..	7,232	5,225	5,687	483	1,127	1,816	..	..	..	..	..	..	..	..	..	..	..	..	4	..	..	..	18	..	53	28	1	7,772	6,398	7,504
White Bleached ..	93,202	80,566	100,529	679	504	1,106	135	227	390	547	1,031	303	32	65	167	2,295	1,979	2,209	4,344	5,039	6,506	87	162	98	272	306	180	101,591	89,880	111,488
Printed	69,583	50,634	68,195	1,292	2,828	7,386	87	202	252	1,123	1,786	4,047	5	36	..	..	11	2	188	264	371	18	33	17	23	9	58	72,318	55,803	80,327
Dyed	35,449	46,331	43,367	3,581	4,358	4,946	279	338	579	1,114	921	1,183	42	48	19	25	67	12	560	1,060	605	180	202	124	189	218	280	41,420	53,543	51,074
Woven Coloured ..	6,678	9,131	7,863	7,670	11,649	16,188	31	15	109	1,690	1,722	1,897	562	909	634	78	107	81	223	347	427	231	655	611	190	97	85	17,556	24,631	27,894
Fents of all descriptions	10,421	8,656	11,196	..	18	14	11,509	11,359	20,681	76	10	26	..	8	..	11	7	..	13	50	131	25	21	26	..	4	21	22,055	20,133	32,096
Towels in the piece ..	1	2	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	2	1
Piece-goods of Cotton and Artificial Silk ..	3,351	7,865	6,374	1	4	36	54	202	222	2,973	5,124	5,425	278	670	519	14	39	4	2,022	4,818	7,638	352	1,461	2,432	283	875	2,153	9,328	21,059	24,804
Canvas	317	395	240	7	23	33	3	4	..	99	129	200	..	..	..	2	..	..	..	8	..	30	34	15	1	7	..	458	600	488
TOTAL ..	253,384	235,039	276,264	96,795	82,020	115,992	13,437	13,458	23,872	7,626	10,723	13,100	919	1,735	1,339	2,426	2 211	2,308	7,355	11,586	15,681	946	2,651	3,333	2,632	2,920	8,191	385,522	362,345	460,080

See foot-note to Table 20.

TABLE No. 30.

EXPORTS OF COTTON PIECE-GOODS OF INDIAN MANUFACTURE FROM BRITISH INDIA.

(In thousands of yards.)

Description.	European Countries.			China.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			Total.		
	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.
GREY (UNBLEACHED):—																																
Chadars and Dhutis ..	8	..	..	..	..	..	2	3	..	208	136	285	8,213	2,783	3,344	..	2	..	393	448	340	170	78	68	7	4	3	9	..	..	9,008	3,554	4,040
Drills and Jeans ..	..	..	17	..	..	..	181	160	21	45	17	5	310	62	128	32	134	147	81	102	78	2,073	310	14	29	6	6	..	..	..	2,750	791	418
T-cloths and Domestics .	..	..	..	..	..	..	..	..	17	1,260	1,134	1,475	2,010	410	368	..	..	..	560	..	..	9,500	102	38	..	..	..	..	..	..	13,331	1,647	1,897
Shirtings	..	..	..	..	..	..	73	..	..	239	73	321	1 700	140	293	13	7	..	88	4	24	1,747	115	98	342	84	590	..	..	..	4,201	423	1,327
Other Sorts	89	239	177	..	..	..	117	565	1,620	716	841	1,298	3,168	6,460	7,392	8	259	479	988	892	526	2,801	3,314	1,186	205	599	194	..	2	2	8,104	13,171	12,874
TOTAL GREY ..	98	239	195	..	1	..	373	728	1,658	2,468	2,201	3,384	15,401	9,956	11,525	53	402	626	2,120	1,447	969	16,291	3,918	1,404	583	692	794	9	2	2	37,296	19,586	20,557
WHITE (BLEACHED):—																																
Chadars and Dhutis ..	..	1	..	..	..	..	6	6	..	19	6	13	10	2	21	..	..	..	55	43	73	53	17	..	1	1	..	..	..	..	145	76	108
Drills and Jeans ..	28	..	..	..	..	..	..	..	..	3	4	2	8	2	15	..	..	35	18	34	20	45	17	20	7	24	22	..	..	1	110	81	114
T-cloths and Domestics..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	9	26	28	..	..	..	..	..	1	..	..	..	9	26	30
Shirtings	..	..	..	..	..	..	..	..	..	20	7	..	..	..	11	..	..	..	30	30	24	2	10	4	..	..	..	..	..	..	52	46	39
Other Sorts	4	4	27	..	2	1	50	386	426	38	146	57	94	137	186	..	22	38	225	306	358	162	81	299	..	..	5	..	..	..	577	1,084	1,397
TOTAL WHITE ..	33	5	27	1	2	1	56	392	426	80	163	72	112	141	235	..	22	73	338	440	503	262	124	322	8	26	27	..	..	1	893	1,313	1,688
COLOURED, PRINTED OR DYED:—																																
Lungis and Sarles ..	..	..	..	..	..	..	1	..	42	1,016	1,101	1,967	531	68	181	..	..	3	31,517	31,961	26,090	230	140	226	117	147	155	..	..	..	33,413	33,417	28,664
Drills and Jeans ..	79	29	113	24	24	22	1,893	388	344	19	54	34	917	222	620	346	172	202	256	173	260	8,013	825	656	368	47	94	..	1	2	11,917	1,935	2,346
Other Sorts	122	130	329	65	81	20	442	1,118	1,292	3,212	4,195	5,099	11,384	24,470	25,272	262	2,448	1,236	15,613	18,642	21,825	46,764	68,859	75,152	3,309	3,049	3,540	41	76	51	81,215	129067	133,817
TOTAL COLOURED, PRINTED OR DYED ..	202	158	442	89	105	42	2,336	1,506	1,678	4,247	5,350	7,101	12,832	24,760	26,073	608	2,620	1,441	47,387	50,775	48,175	55,007	69,825	76,034	3,794	3,243	3,789	41	77	53	126545	158426	164,826

See foot-note to Table 20.

TABLE No. 31.

EXPORTS OF COTTON PIECEGOODS OF INDIAN MANUFACTURE FROM BOMBAY.

(In thousands of yards.)

	European Countries.			China.			Egypt and North Africa.			Red Sea Ports.			East Africa.			Levant and Black Sea Ports.			Ceylon and Straits.			Persian Gulf.			South Africa.			Other Countries.			TOTAL.		
	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.
GREY (Unbleached):—																																
Chadars and Dhutis	8	..	..	..	..	..	2	3	..	208	136	285	8213	2883	3244	2	2	..	76	3	39	170	78	68	6	1	2	..	..	..	8684	3105	3739
Drills and Jeans	..	..	17	..	..	..	181	160	21	45	17	5	310	62	128	32	134	147	1	8	23	2073	310	14	29	6	6	..	..	..	2670	697	463
T-Cloths and Domestics	..	..	..	..	..	..	..	..	17	1260	1134	1475	2010	410	368	..	..	..	559	..	..	9500	102	38	..	..	..	..	..	..	13330	1646	1897
Shirtings	..	..	..	..	..	..	73	..	..	239	73	321	1700	140	293	13	7	..	64	..	10	1739	112	98	342	84	590	..	..	..	4170	416	1313
Other Sorts	89	239	177	..	..	..	117	565	1620	716	841	1298	3168	6460	7392	8	259	479	916	810	326	2801	3312	1184	205	599	188	2	2	1	8021	13087	12665
TOTAL GREY ..	97	239	195	..	..		373	728	1658	2468	2202	3384	15401	9956	11525	54	402	626	1616	821	398	16283	3913	1402	582	689	787	2	2	1	36876	18952	19977
WHITE (Bleached):—																																
Chadars and Dhutis	..	..	..	..	..	..	..	..	..	19	6	10	10	2	21	..	..	..	1	..	42	53	17	..	..	..	..	..	..	..	83	25	74
Drills and Jeans	..	..	..	..	..	..	..	..	..	3	4	2	7	..	15	..	..	35	1	..	5	44	8	20	..	..	..	..	..	..	55	12	76
T-Cloths and Domestics	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Shirtings	..	..	..	..	..	..	..	..	..	20	7	..	..	..	11	..	..	..	..	..	6	1	1	2	..	..	..	..	..	..	22	8	19
Other Sorts	6	3	26	2	2		50	386	426	38	146	57	93	137	184	..	22	38	62	63	155	160	75	296	..	..	4	..	..	..	410	832	1187
TOTAL WHITE ..	6	3	26	2	2	..	50	386	426	80	163	69	110	138	232	..	22	73	64	63	208	259	101	317	..	..	4	..	..	..	570	877	1356
COLOURED, PRINTED OR DYED:—																																
Lungis and Saris	..	..	..	..	..	..	1	..	42	1010	1101	1952	531	68	181	..	..	3	35	2	269	227	137	223	54	21	18	..	..	..	1859	1329	2690
Drills and Jeans	79	29	112	..	..	2	1893	388	344	19	54	34	913	216	605	346	172	202	33	..	6	8012	795	656	344	5	4	..	..	..	11640	1661	1966
Other Sorts	119	95	281	..	..	5	442	1118	1292	3207	4194	5096	11382	24468	25252	262	2448	1236	4423	4856	5751	46210	68331	74867	3231	2918	3333	41	64	40	69316	108560	117150
TOTAL COLOURED, PRINTED OR DYED	198	124	393	..	..	7	2336	1506	1678	4236	5349	7082	12826	24752	26037	608	2620	1441	4492	4858	6026	54449	69264	75746	3629	2943	3355	41	64	40	82814	111550	121806

See foot-note to table 20.

TABLE No. 32.

RE-EXPORTS OF FOREIGN MANUFACTURED PIECEGOODS AND YARN FROM BRITISH INDIA.

—	YARN (In thousand pounds).												PIECEGOODS (In thousand yards).														
	Twist & Yarn.			Rope.			Sewing Thread.			Total.			Grey.			White.			Coloured etc.			Fents.			Total.		
	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.
European Countries ..	26	6	3	..	..	..	3	..	4	29	6	7	435	74	49	83	13	34	98	73	59	5	37	1	620	197	143
China & Hongkong ..	50	..	..	..	..	..	..	..	..	50	..	..	4	2	..	1	..	2	9	10	56	..	..	..	14	12	58
Egypt & North Africa ..	24	4	27	..	..	..	..	..	1	24	4	28	330	263	4	39	3	..	3	..	2	..	..	..	372	266	6
Red Sea Ports	94	75	81	..	..	..	2	1	2	96	76	83	1,939	803	1,961	534	405	570	828	750	677	..	5	12	3,353	1,969	3,219
East Africa	18	19	9	..	..	..	46	40	40	63	59	49	2,970	2,846	3,127	331	289	373	2,836	1,954	1,613	..	5	..	6,183	5,093	5,113
Levant & Black Sea Ports..	5	71	36	..	..	..	..	..	..	5	71	36	123	330	479	..	..	..	..	..	..	..	6	..	123	336	479
Ceylon & Straits	15	8	7	..	..	..	3	4	1	19	12	8	931	771	453	893	1,048	830	903	631	835	..	..	4	2,716	2,450	2 172
Persian Gulf	769	675	938	1	1	3	12	12	11	782	688	952	8,981	6,394	8,653	5,148	3,489	2,827	7,468	8,284	8,887	..	11	..	21,599	18,178	20,367
South Africa	..	..	..	..	..	..	5	13	9	5	13	9	34	18	14	205	248	302	166	146	440	..	..	..	405	412	757
Other countries	..	50	..	..	..	..	..	..	..	1	50	..	2	14	5	4	..	..	5	8	3	25	29	4	36	51	12
TOTAL ..	1,002	908	1,102	1	1	4	71	70	66	1,074	980	1,173	15,750	11,520	14,745	7,329	5,495	4,989	12,314	11,857	12,571	31	93	22	35,425	28,965	32,325

See foot-note to Table 20.

TABLE No. 33.

RE-EXPORTS OF FOREIGN MANUFACTURED PIECEGOODS AND YARN FROM BOMBAY.

Countries.	YARN (In thousand pounds)												PIECEGOODS (In thousand yards).														
	Twist & Yarn.			Rope.			Sewing Thread.			TOTAL.			Grey.			White.			Coloured.			Fents.			TOTAL.		
	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25 26.	1926.	1937.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.	'25-26.	1926.	1927.
European Countries	..	2	..	..	..	..	1	..	3	1	2	3	425	64	43	18	7	32	16	34	47	2	31	1	461	136	129
China and Hongkong ..	50	..	..	..	..	..	..	..	..	50	..	..	..	2	..	1	..	2	9	10	56	..	..	..	10	12	58
Egypt and North Africa ..	24	4	27	..	..	..	..	..	1	24	4	28	330	263	4	29	..	..	3	..	..	..	..	..	362	263	4
Red Sea Ports	94	75	81	..	..	..	2	1	2	96	76	83	1939	808	1909	534	393	540	828	749	653	..	..	12	3351	1951	3115
East Africa	18	19	9	..	..	..	46	40	40	64	59	49	2970	2846	3126	331	286	368	2835	1943	1609	..	5	..	6186	5085	5103
Levant and Black Sea Ports	5	71	36	..	..	..	..	..	..	5	71	36	123	330	479	..	..	..	1	..	..	..	6	..	124	336	479
Ceylon and Straits	13	8	7	..	..	..	3	4	1	16	12	8	500	307	196	692	635	594	607	501	632	..	..	..	1770	1473	1422
Persian Gulf	769	675	938	..	1	3	12	12	10	781	687	952	8897	6248	8534	4732	2978	2476	5384	6329	6842	..	11	..	19063	15566	17913
South Africa	..	..	..	..	..	..	5	13	9	5	13	9	34	18	14	88	82	41	166	142	433	..	..	..	288	242	494
Other Countries	..	50	..	..	..	..	..	..	..	..	50	..	..	..	..	4	..	..	5	8	3	26	29	4	34	37	7
TOTAL ..	974	904	1099	1	1	4	68	69	65	1042	975	1168	15208	10388	14371	6559	4411	4052	9353	9721	10281	28	82	18	31649	25100	28722

See foot-note to Table 20.

TABLE No. 34.

TABLE SHOWING THE APPROXIMATE YARDAGE OF PIECEGOODS AVAILABLE FOR CONSUMPTION IN INDIA.

(In millions of Yards.)

	1908-09.	'09-10.	'10-11.	'11-12	'12-13.	'13-14	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26.	'26-27.
Total Indian Mill Production	824	963	1,043	1,136	1,220	1,164	1,136	1,441	1,578	1,614	1,451	1,640	1,581	1,732	1,725	1,792	1,970	1,954	2,259
Less—Exports by Sea	78	94	100	81	87	89	67	113	264	189	149	197	146	161	157	165	181	165	197
Exports by Land	35	32	34	37	38	41	43	48	45	45	38	42	24	26	29	36	49	68*	83*†
Balance	711	837	909	1,018	1,095	1,034	1,026	1,280	1,269	1,380	1,264	1,401	1,411	1,545	1,539	1,591	1,740	1,721	1,979
Imports	1,993	2,193	2,308	2,438	3,023	3,197	2,446	2,148	1,934	1,556	1,212	1,081	1,510	1,090	1,593	1,486	1,823	1,564	1,788
Total	2,704	3,030	3,217	3,456	4,118	4,231	3,472	3,428	2,203	2,936	2,476	2,482	2,921	2,635	3,132	3,077	3,563	3,285	3,767
Less—Exports by Sea	49	52	68	76	67	62	35	41	97	85	114	89	61	74	75	61	54	35	29
Exports by Land	73	71	78	100	108	93	83	88	65	65	53	56	44	36	51	51	59	116*	131*†
Total quantity of Piecegoods available for consumption in India	2,582	2,907	3,071	3,280	3,943	4,076	3,354	3,299	2,041	2,786	2,309	2,337	2,816	2,525	3,006	2,965	3,450	3,134	3,607

From 1908-09 to 1924-25 the figures in both the tables are taken *en bloc* from the " Notes on Hand Loom Weaving " by Mr. R. D. Bell.

NOTE :—With effect from 1st April 1925, the Government of India discontinued the publication of "Accounts relating to the trade by land of British India with other countries." Since then, the statistics in question are published in Special Supplements to the *Indian Trade Journal* in an abbreviated form. The revised form does not affect the above table materially but in Table 35 it has not been possible to separate the land export figures for Indian and foreign yarn. This however, does not affect the approximate accuracy of the figure showing the balance of yarn available for consumption in India.

† Maunds converted into lbs. and lbs. converted into yds: 1 Maund=82⅔ lbs ; 1 lb.=4·27 yds.

TABLE No. 35.

TABLE SHOWING THE APPROXIMATE POUNDAGE OF YARN AVAILABLE FOR CONSUMPTION IN INDIA.

(In millions of Lbs.)

	1908-'09.	'09-10.	'10-11.	'11-12.	'12-13.	'13-14.	'14-15.	'15-16.	'16-17.	'17-18.	'18-19.	'19-20.	'20-21.	'21-22.	'22-23.	'23-24.	'24-25.	'25-26	'26-27.
Total Indian Mill Production	657	627	610	625	688	682	652	722	681	660	615	636	660	693	706	617	719	686	807
Less—Exports by Sea	235	227	183	151	204	198	134	160	169	122	64	152	83	81	57	39	37	32	42
Exports by Land	7	7	8	10	11	9	9	8	9	8	8	9	6	7	7	7	9	7*	8*†
Balance	415	393	419	464	473	475	509	554	503	530	543	475	571	605	642	571	673	647	757
Imports	42	40	33	42	50	44	43	40	30	19	38	15	47	57	59	45	56	52	49
Total	457	433	452	506	523	519	552	594	533	549	581	490	618	662	701	616	729	699	806
Less—Export by Sea	1	1	1	1	1	1	1	1	2	1	1	3	..	1	2	2	1	7	8
Exports by Land	6	5	4	7	9	7	8	8	5	6	5	4	3	3	5	4	4	..	..
Quantity of Yarn available for consumption in India	450	428	446	499	514	511	543	586	526	543	574	483	615	658	692	610	724	692	798
Cloth produced in India in millions of pounds.	192	229	246	267	285	274	277	352	377	381	350	384	367	403	405	402	459	465	539
Approximate equivalent in Yarn (taking 100 lbs. of yarn=112 lbs. of piece goods.) ..	171	204	219	238	254	244	247	314	337	340	312	342	328	360	362	359	410	415	481
Real balance of Yarn available for sale in India.	279	224	227	261	260	267	296	272	189	203	262	141	287	298	335	251	314	277	317

*Includes re-exports also. † Maunds converted into lbs. at the rate of 82⅔ lbs.=1 Maund.

See foot-note to Table 12 regarding strikes in Bombay mills.

TABLE No. 36.

PROGRESS OF JAPAN COTTON MILLS DURING THE LAST 16 YEARS.

(The information is extracted from the half-yearly statistics published by the Japan Cotton Spinners' Association.)

Term.	No. of Companies.	Capital.		Reserve Funds.	No. of Mills.	Spindles		Doubling Spindles.	Looms.
		Authorised.	Paid up.			Ring.	Mule.		
Half-year ending		Yen.	Yen.	Yen.					
June, 1912	31	86,465,150	62,942,492	25,526,124	139	2,105,760	52,868	304,572	20,902
December, 1912	41	105,136,400	72,866,495	28,533,314	147	2,125,000	51,748	317,324	21,893
June, 1913	44	115,536,400	82,522,909	31,217,859	150	2,237,904	49,360	308,672	23,784
December, 1913	44	113,036,401	86,444,059	33,808,119	152	2,365,094	49,405	320,812	24,224
June, 1914	43	114,036,400	88,710,272	35,454,288	154	2,526,172	51,170	330,384	25,325
December, 1914	42	109,676,400	85,820,424	36,639,349	157	2,606,004	51,170	348,766	25,443
June, 1915	42	109,226,400	85,211,327	37,348,858	159	2,724,452	48,530	348,739	28,487
December, 1915	41	110,176,400	86,011,677	38,663,064	161	2,754,124	53,390	355,318	30,068
June, 1916	39	108,426,400	86,033,187	39,806,107	160	2,764,588	51,450	365,566	30,562
December, 1916	40	137,290,150	99,641,818	48,952,381	161	2,825,944	49,960	370,681	31,295
June, 1917	39	152,730,150	108,186,750	56,847,311	163	2,890,760	51,170	375,306	33,040
December, 1917	43	162,830,150	115,623,020	70,037,275	170	3,008,568	51,910	383,458	36,181
June, 1918	41	176,202,650	127,055,220	71,457,603	170	3,064,922	51,910	583,074	37,607
December, 1918	43	192,877,650	138,494,595	92,426,047	177	3,175,768	51,910	384,872	40,391
June, 1919	48	202,177,650	147,157,670	110,447,795	184	3,282,754	52,330	400,307	42,400
December, 1919	54	221,927,650	165,758,695	139,073,867	190	3,435,932	52,330	410,690	44,401
June, 1920	56	315,427,650	248,180,420	153,923,042	198	3,637,310	52,330	434,736	49,826
December, 1920	56	394,327,650	276,535,896	165,697,053	198	3,761,250	52,330	466,460	50,583
June, 1921	58	410,017,650	286,789,308	172,110,853	201	3,939,534	49,370	492,204	51,761
December, 1921	61	429,577,650	295,648,358	182,040,774	217	4,116,616	44,510	533,384	54,994
June, 1922	67	472,807,650	319,612,328	194,010,558	232	4,338,759	44,510	573,486	59,693
December, 1922	64	462,107,650	317,148,075	202,774,376	235	4,472,112	45,500	602,032	60,765
June, 1923	62	468,427,650	321,654,393	209,984,818	235	4,618,946	48,470	635,212	62,205
December, 1923	70*	530,277,650	376,272,935	217,407,870	241	4,422,428	14,370	510,031	64,460
June, 1924	69*	559,750,000	396,081,600	213,411,662	245	4,832,552	17,340	581,583	66,283
December, 1924	69*	575,302,500	398,163,443	219,043,315	247	5,100,546	25,150	685,995	68,579
June, 1925	64*	570,612,500	394,567,318	223,098,069	242	5,266,000	26,040	723,824	71,702
December, 1925	64*	551,362,500	382,714,817	223,531,448	243	5,413,094	34,090	759,632	73,381
June, 1926	65*	558,416,650	394,488,167	228,827,952	247	5,551,607	34,420	780,404	74,193
December, 1926	64*	539,237,500	391,305,247	231,149,181	247	5,644,772	35,080	789,688	77,043
June, 1927	64*	539,527,500	390,703,307	233,953,175	247	5,892,620	36,994	788,916	76,163

* Including non-members of the Japan Cotton Spinners' Association.

TABLE NO. 37.

JAPAN'S COTTON CONSUMPTION.

(Figures extracted from the half-yearly publication of the Japan Cotton Spinners' Association.)

Years.	Indian.	American.	Chinese.	Egyptian and African.	Annam and Saigon.	Korean.	Sundries.	Total.
	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.
1903	220,058,084	66,841,125	81,711,917	8,308,958	7,206,191	..	6,116,958	390,243,233
1904	145,470,175	37,289,983	127,976,550	7,346,125	6,290,700	..	4,452,475	328,826,008
1905	215,531,242	124,278,875	70,662,350	7,365,525	2,621,333	..	2,831,175	423,290,500
1906	213,902,368	119,326,058	97,386,216	6,718,950	2,688,083	..	4,251,825	444,273,500
1907	265,737,875	111,216,408	67,479,692	7,008,467	5,027,208	..	3,645,008	460,114,658
1908	230,701,058	95,674,700	76,140,575	9,406,175	7,154,158	..	4,166,275	423,242,941
1909	306,535,475	105,293,050	53,332,225	13,087,891	6,366,292	..	4,787,692	489,402,625
1910	372,808,800	69,456,508	79,219,308	11,374,717	4,823,683	..	5,909,009	543,592,025
1911	297,798,250	111,540,908	110,200,125	13,506,525	1,837,833	..	4,321,184	539,204,825
1912	368,062,933	214,251,250	31,654,633	15,086,558	3,735,384	..	3,441,058	636,231,816
1913	434,685,666	202,441,016	46,621,309	16,699,942	7,547,250	..	4,143,508	712,138,691
1914	549,868,658	170,397,933	36,528,292	15,161,483	4,742,225	..	7,158,842	783,857,433
1915	559,320,525	209,035,492	18,389,108	13,436,266	2,641,083	..	4,998,742	807,821,216
1916	593,978,108	235,615,875	29,506,075	16,421,546	9,069,166	6,744,540	4,251,590	895,586,900
1917	590,521,080	242,144,925	42,305,808	14,717,091	3,715,905	8,194,558	4,344,308	905,943,675
1918	453,072,641	280,374,975	83,091,375	14,769,342	3,187,334	11,790,775	6,941,733	853,228,175
1919	376,648,588	355,589,221	130,970,193	15,588,908	2,265,292	11,454,470	5,037,182	897,553,824
1920	482,881,416	310,370,393	30,684,616	11,558,208	2,041,258	9,412,820	5,367,604	852,316,315
1921	521,998,441	304,763,617	3,037,340	14,600,500	3,923,158	8,744,408	3,479,358	860,546,824
1922	615,242,183	389,759,225	3,626,017	19,652,842	5,563,967	8,354,600	5,680,941	1,047,879,775
1923	652,798,508	296,423,592	25,836,858	22,140,542	2,519,492	12,054,233	7,929,408	1,019,702,633
1924	563,969,233	282,197,025	58,888,450	36,176,192	1,461,775	20,443,692	5,877,333	969,013,700
1925	637,749,440	378,526,322	47,050,425	34,567,864	2,712,025	18,994,691	9,742,440	1,129,343,210
1926	664,655,716	486,464,350	19,956,425	43,557,383	1,011,383	12,512,942	8,763,400	1,236,921,599
927*	286,512,767	294,952,833	4,266,175	19,953,300	1,049,175	6,727,375	3,844,525	617,306,150

* Half-year ending 30th June.

NOTE:—Korean cotton before 1916 is totalled under "Sundries."

TABLE No. 38.

JAPAN'S COTTON YARN PRODUCTION AND EXPORTS.

YEAR.	Average Working Spindles.	Production. (Bales of 400 lbs.)				Exports. (Bales of 400 lbs.)						
		16s. warp.	20s. weft.	Others.	Total.	China.	Hongkong.	British India.	Philippine Islands.	Korea.	Other countries.	Total.
1903	1,297,966	330,667.5	175,843.0	295,227.5	801,738.0	279,274	17,742	5	1,233	8,945	4	307,203
1904	1,249,086	251,867.0	157,048.0	286,297.5	695,212.5	215,159	22,749	..	1,512	17,840	47	257,308
1905	1,329,404	309,173.0	209,816.0	386,547.5	905,536.5	232,666	7,384	90	2,311	24,867	64	267,383
1906	1,404.714	323,664.0	227,628.0	393,873.5	945,165.5	243,219	6,253	15	2,277	15,462	121	267,348
1907	1,458,020	341,433.0	218,665.0	423,384.5	983,482.5	190,868	7,829	396	2,215	25,073	93	226,475
1908	1,367,631	224,897.5	209,475.0	444,198.0	878,570.5	134,267	6,511	41	2,645	21,807	2,573	167,843
1909	1,569,080	295,802.0	229,763.5	499,678.5	1,025,244.5	236,102	3,389	15	1,524	14,725	3,123	258,878
1910	1,741,168	338,175.0	258,412.5	538,193.0	1,134,780.5	301,535	17,953	701	3,503	19,825	4,118	347,635
1911	1,784,064	295,065.5	262,298.5	571,903.0	1,129,267.0	234,324	12,918	1,809	3,076	22,828	10,054	285,009
1912	1,984,191	346,844.5	335,821.0	669,544.0	1,352,209.5	304,199	29,091	989	3,625	21,034	15,994	374,933
1913	2,167,926	396,645.5	371,522.5	749,814.0	1,517,982.0	389,297	34,031	3,258	3,296	15,237	23,620	468,739
1914	2,369,801	388,992.0	439,672.5	837,516.0	1,666,181.0	455,124	66,124	3,144	4,791	19,020	21,787	569,990
1915	2,463,376	393,027.0	443,040.5	884,197.0	1,720,264.5	463,921	65,241	1,565	3,629	26,688	14,848	575,892
1916	2,757,299	409,053.0	497,291.0	1,019,234.5	1,925,579.0	440,158	50,381	11,744	1,889	26,137	16,839	547,148
1917	2,850,637	359,623.0	528,603.0	1,035,615.5	1,923,841.5	356,576	58,405	9,313	3,260	27,597	15,702	470,853
1918	2,936,495	228,818.5	511,538.0	1,063,509.5	1,803,866.0	231,689	62,598	79,426	5,685	13,053	29,062	421,513
1919	3,179,568	204,486.6	539,748.0	1,176,548.0	1,920,782.5	156,261	35,638	4,753	693	16,047	16,945	230,337
1920	3,191,753	196,928.5	191,141.5	1,128,906.0	1,816,976.0	166,711	58,349	47,615	2,548	5,535	24,167	304,925
1921	3,162,353	215,682.5	436,629.5	1,159,038.0	1,811,350.0	174,584	56,211	37,164	1,418	..	22,884	292,261
1922	3,967,265	205,489.5	746,731.0	1,276,025.5	2,228,246.0	212,862	83,394	68,319	2,896	..	26,591	394,062
1923	4,079,855	170,357.0	680,708.0	1,320,088.0	2,171,153.0	121,568	40,108	58,937	2,267	..	28,778	248,325
1924	4,115,692	135,844.0	631,476.0	1,305,497.5	2,072,817.5	96,536	61,493	80,840	1,799	..	29,692	270,361
1925	4,669,753	142,796.0	779,203.5	1,514,784.0	2,436,783.5	132,778	58,788	87,172	3,176	..	28,888	310,801
1926	5,002,932	146,983.0	795,170.0	1,665,593.5	2,607,746.5	72,640	29,286	72,283	3,201	..	28,140	205,550
1927 First half ending 30th June.	5,000,290	79,686.5	406,349.0	827,794.5	1,313,830.0	18,559	8,931	33,129	1,268	..	10,227	72,114

TABLE NO. 39.

JAPAN'S CLOTH PRODUCTION AND EXPORTS.

Year.	Average Working looms.	Production of cotton piece-goods.	Yarn consumed.*
		Yards.	lbs.
1903	4,963	72,702,213	20,771,345
1904	4,891	80,947,348	22,484,284
1905	6,420	114,908,132	36,454,146
1906	8,491	137,773,415 Doz. 32,784	40,702,848
1907	9,245	135,253,029 Doz. 02,533	44,262,958
1908	9,496	147,443,838	47,676,427
1909	11,585	181,976,972	57,388,586
1910	14,911	226,313,958	71,197,654
1911	17,884	289,039,671	82,498,136
1912	20,208	342,584,684	93,562,721
1913	23,299	416,725,357	11,159,616
1914	24,911	454,901,674	126,863,966
1915	27,687	502,076,621	124,632,631
1916	30,110	560,181,108	136,413,408
1917	31,920	594,649,419	142,770,758
1918	36,365	656,935,420	160,301,569
1919	40,969	739,390,012	179,788,560
1920	44,635	762,037,360	189,651,320
1921	44,109	700,697,985	179,427,501
1922	51,033	869,327,652	214,327,505
1923	52,972	1,000,708,890	240,979,975
1924	56,351	1,030,905,658	241,319,095
1925	62,976	1,179,524,733	274,472,668
1926	65,699	1,277,726,954	294,334,545
1927†	67,808	660,097,717	149,558,489

* Sub-work by spinners' only.

Sub-work by spinners means that the table in question was prepared from the reports of the weaving companies which are affiliated to the Japan Cotton Spinners' Association.

† Half-year ending 30th June 1927.

TABLE No. 40.

STATISTICS.

STATEMENT of Imports of Piece-Goods of British Manufacture (Grey, Bleached, Coloured and Printed) and of Yarns (Grey and Dyed) from Great Britain into Bombay, Calcutta and Madras, from the years 1857 to 1927, both inclusive.

YEAR.	PIECE-GOODS.			YARNS.		
	Bombay.	Calcutta.	Madras.	Bombay.	Calcutta.	Madras.
	Sq. Yards.	Sq. Yards.	Sq. Yards.	Lbs.	Lbs.	Lbs.
1857	137,761,636	235,190,273	9,375,347	2,838,644	10,691,863	2,370,741
1858	281,836,364	416,362,074	15,431,647	8,744,517	18,369,490	4,036,325
1859	307,086,509	520,899,016	20,425,632	12,899,875	20,043,485	5,741,441
1860	267,443,986	403,351,123	20,648,072	4,571,134	16,641,847	5,656,930
1861	272,573,717	418,671,687	14,628,188	5,578,828	13,933,256	3,694,985
1862	178,803,604	295,508,637	9,748,215	4,811,384	9,594,896	1,675,239
1863	232,321,038	234,645,916	16,352,677	5,592,995	10,394,931	3,702,562
1864	189,812,984	223,036,538	14,787,062	4,268,662	8,742,699	3,447,635
1865	175,486,677	319,047,954	17,291,103	4,073,811	6,981,809	2,232,948
1866	243,476,368	351,572,331	22,081,805	6,877,968	10,795,517	4,629,986
1867	316,784,109	528,434,956	23,258,498	6,568,619	13,006,019	4,684,638
1868	555,337,050	619,101,683	31,793,397	7,780,033	13,236,453	6,873,398
1869	296,158,439	518,741,346	29,683,469	7,981,949	11,858,210	7,773,636
1870	272,898,226	687,639,911	45,750,099	9,946,299	16,816,936	6,649,598
1871	305,416,233	684,926,367	47,560,133	6,097,531	12,041,848	8,876,841
1872	262,849,273	657,123,291	48,177,871	6,163,813	11,490,636	8,616,040
1873	349,631,830	664,987,114	57,666,809	8,667,090	11,192,248	8,918,841
1874	292,843,697	765,762,164	49,878,834	8,867,978	14,041,520	10,510,639
1875	305,917,934	744,439,224	44,683,288	6,863,763	12,945,102	10,104,020
1876	356,940,508	733,913,330	54,875,423	8,246,211	12,090,167	9,664,609
1877	354,779,192	885,688,850	39,106,318	10,624,710	14,364,841	8,683,595
1878	344,068,807	749,233,431	47,038,579	7,754,005	13,967,396	8,373,916
1879	343,811,233	788,759,250	61,375,691	7,469,113	10,580,436	9,581,363
1880	531,050,559	1,007,531,497	77,010,037	13,024,923	16,446,089	12,108,002
1881	544,890,697	947,329,460	82,451,852	12,326,706	13,597,371	11,099,762
1882	500,248,293	883,611,784	106,615,818	12,019,123	14,780,667	13,069,871
1883	572,738,196	878,949,353	107,868,579	16,220,463	13,478,764	11,033,824
1884	568,220,318	908,294,475	120,841,003	14,299,380	15,313,840	13,114,875
1885	547,773,459	911,987,148	93,757,204	14,132,372	13,473,067	99,597,197
1886	700,061,881	1,159,407,968	143,318,736	17,087,709	14,177,149	13,937,810
1887	585,502,258	988,370,500	117,502,619	14,990,151	14,040,137	13,432,638
1888	652,344,548	1,045,951,384	138,271,060	16,595,176	14,778,545	14,570,258
1889	634,608,171	1,031,000,980	144,140,943	13,011,348	11,836,681	13,393,848
1890	665,550,786	1,037,911,379	115,224,797	15,805,515	12,455,601	13,284,690
1891	572,065,309	961,686,226	108,083,576	15,526,869	12,484,617	14,666,189
1892	548,944,867	1,013,742,658	93,892,712	12,427,053	10,108,327	10,390,439
1893	604,439,138	1,009,441,511	106,086,291	10,466,233	13,124,097	11,387,889
1894	719,324,449	1,161,138,343	140,749,235	11,723,808	10,529,734	12,547,763
1895	484,780,087	925,203,136	99,427,366	10,857,586	10,689,066	10,188,466
1896	574,410,316	1,163,967,702	86,265,292	11,649,977	13,403,663	15,402,931
1897	472,597,133	932,328,974	121,396,515	11,788,246	13,299,211	13,650,022
1898	557,597,951	1,202,254,978	91,950,978	10,238,969	11,412,068	11,673,878
1899	611,556,220	1,266,926,546	93,492,746	10,441,484	10,729,842	11,532,812
1900	461,938,302	1,086,463,274	120,383,837	5,892,081	9,435,371	9,496,085
1901	629,976,200	1,127,753,500	129,392,500	7,911,750	11,050,890	9,564,200
1902	475,541,800	1,176,051,500	119,878,000	6,299,820	7,411,640	9,438,560
1903	520,373,400	1,119,542,300	129,898,800	5,300,460	6,442,050	6,699,580
1904	593,591,100	1,193,265,900	145,618,800	6,221,400	6,613,460	8,056,710
1905	637,039,600	1,292,516,900	119,829,700	11,368,420	11,443,550	10,175,810
1906	611,705,100	1,189,552,900	142,636,200	10,548,720	10,300,210	10,260,270
1907	646,598,400	1,298,662,500	131,107,800	10,419,750	9,921,670	7,601,280
1908	470,956,400	1,005,027,600	200,676,400	10,894,540	9,019,320	10,432,380
1909	481,389,100	1,180,586,000	108,497,400	16,251,580	8,448,010	6,169,190
1910	624,859,600	1,129,898,600	109,976,800	8,410,140	6,384,450	6,891,410
1911	622,516,400	1,226,065,400	138,414,300	12,842,440	9,179,460	8,364,340
1912	658,026,700	1,451,819,200	173,698,700	13,298,110	11,913,170	10,745,130
1913	804,333,100	1,547,872,400	210,797,700	13,628,700	7,519,860	9,497,740
1914	617,498,700	1,378,930,300	160,552,000	13,538,110	9,985,330	8,280,700
1915	354,966,900	1,052,246,400	106,332,200	15,423,650	8,974,950	10,801,200
1916	481,857,500	1,035,437,900	88,153,700	8,931,510	5,922,490	7,583,020
1917	851,853,300	898,872,200	78,886,500	5,185,900	5,646,600	6,295,900
1918	429,754,300	449,044,800	33,046,000	2,054,500	2,211,400	3,490,800
1919	275,575,100	423,299,200	37,684,300	3,217,300	2,401,100	3,201,100
1920	569,054,700	656,277,100	69,872,000	10,850,000	5,096,900	6,011,600
1921	265,737,000	744,049,100	50,486,100	18,383,900	7,573,200	7,257,800
1922	410,565,000	854,974,300	77,837,700	21,204,800	7,284,200	7,471,600
1923	476,873,200	797,622,700	89,096,800	9,024,500	5,151,800	5,978,500
1924	553,405,800	938,652,800	91,324,300	9,281,600	4,280,600	5,613,800
1925	524,457,900	767,338,700	72,441,200	6,244,300	4,184,500	4,465,500
1926	504,044,100	902,411,700	93,138,100	8,809,600	4,286,100	6,244,000
1927	576,045,900	924,941,600	84,499,100	8,681,300	5,263,100	6,661,300

Figures from "Accounts relating to Trade and Navigation of the United Kingdom."

STATISTICS OF COTTON SPINNING AND WEAVING IN INDIAN MILLS in the twelve months April to March (1927-28), as compared with 1925-26 and 1926-27.

No. 1.—*ABSTRACT STATEMENT of the QUANTITY (in pounds) of YARN Spun.*

[NOTE.—The statistics of yarn represent the quantities of all yarn actually spun in the mills whether they are subsequently woven in the mills or not.]

	12 MONTHS, APRIL TO MARCH.		
	1925-26.	1926-27.	1927-28.
BRITISH INDIA.			
Bombay	423,450,896	512,021,482	491,839,977
Madras	57,836,673	64,497,984	68,729,564
Bengal	24,122,721	31,537,438	34,348,044
United Provinces	60,293,876	68,795,009	66,598,927
Ajmer-Merwara	4,545,208	4,513,436	4,230,410
Punjab	2,944,650	3,173,617	3,780,455
Delhi	8,060,573	10,309,660	12,106,954
Central Provinces and Berar	40,428,204	38,895,493	42,860,080
Burma	1,688,070	480,113	63,975
TOTAL	623,370,871	734,224,232	724,558,386
FOREIGN TERRITORY.			
Indian States of Indore, Mysore, Baroda, Nandgaon, Bhavnagar, Hyderabad, Wadhwan, Gwalior (Ujjain), Kishangarh, Cambay (*a*), Kolhapur (*a*) and the French Settlements at Pondicherry (*b*)	63,056,608	72,891,701	84,352,461
GRAND TOTAL	686,427,479	807,115,933	808,910,847

(*a*) Figures for Cambay and Kolhapur are being reported from April and June, 1926, respectively.
(*b*) Including the production of one mill only.

No. 2.—*ABSTRACT STATEMENT of the QUANTITY of WOVEN GOODS Manufactured.*

[NOTE.—The weight in pounds represents the weight of all woven goods; the measure in yards relates only to grey and coloured piecegoods, and is estimated from the poundage on a conventional basis; the figures in dozens relate to grey and coloured goods other than piecegoods, and to hosiery, the weight of these being estimated mainly on a conventional basis and included in the poundage.]

		12 MONTHS, APRIL TO MARCH.		
		1925-26.	1926-27.	1927-28.
BRITISH INDIA.				
Bombay	pounds.	342,030,412	407,282,500	421,590,878
	yards.	1,510,385,860	1,786,327,396	1,828,517,162
	dozens.	885,931	829,849	920,817
Madras	pounds.	16,934,416	18,420,584	19,945,631
	yards.	54,657,281	58,198,795	59,968,330
	dozens	139,678	181,190	134,142
Bengal	pounds.	8,708,214	7,495,180	8,308,526
	yards.	36,966,122	31,834,250	35,829,888
	dozens.	80,277	98,212	120,671
United Provinces	pounds.	18,478,741	21,943,050	25,114,558
	yards.	64,704,588	76,468,733	92,026,349
	dozens.	48,280	90,999	122,601
Ajmer-Merwara	pounds.	3,447,588	3,294,519	3,360,445
	yards.	12,780,559	12,132,202	12,661,010
	dozens.	68	167	208
Punjab	pounds.	1,177,942	1,392,673	1,549,080
	yards.	3,988,838	5,513,265	5,863,767
	dozens.	....	35	17
Delhi	pounds.	6,540,418	8,311,931	10,205,350
	yards.	19,628,266	26,121,704	33,946,750
	dozens.	4,104	41,631	18,673
Central Provinces and Berar	pounds.	19,464,296	19,057,630	19,216,550
	yards.	71,272,271	70,663,758	71,939,054
	dozens.	27,230	20,981	24,315
TOTAL	pounds.	416,782,627	487,198,067	509,291,018
	yards.	1,774,383,785	2,067,260,103	2,140,752,310
	dozens.	1,185,568	1,263,064	1,341,444
FOREIGN TERRITORY.				
Indian States of Indore, Mysore, Baroda, Nandgaon, Bhavnagar, Hyderabad, Wadhwan, Gwalior (Ujjain), Cambay, Budhgaon (*a*) and the French Settlements at Pondicherry	pounds.	48,257,060	51,571,286	58,512,844
	yards.	180,078,885	191,455,962	215,807,495
	dozens.	86,782	95,403	87,878
GRAND TOTAL	pounds.	465,039,687	538,769,353	567,803,862
	yards.	1,954,462,650	2,258,716,065	2,356,559,805
	dozens.	1,272,350	1,358,467	1,429,322

(*a*) Sri Luxmi mill, Budhgaon, remained closed.

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun.

BOMBAY PRESIDENCY.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	3,956,368	6,144,191	8,928,060
2	4,916,762	7,971,010	5,345,416
3	1,744,347	2,377,239	1,618,588
4	6,018,732	6,482,040	6,287,998
5	238,008	401,848	477,316
6	7,085,220	7,121,000	6,294,871
7	11,610,318	14,392,973	12,920,012
8	6,587,193	8,577,168	8,626,565
9	8,692,321	9,622,975	8,524,815
10	15,487,708	19,459,235	12,228,511
Total, Nos. 1 to 10.	66,336,997	82,549,679	71,252,152
11	11,412,499	17,187,277	8,474,181
12	15,567,474	17,844,510	15,112,252
13	15,992,778	12,603,011	10,85[illegible],175
14	11,346,240	17,740,651	17,793,553
15	7,739,512	8,995,286	8,325,773
16	13,620,473	16,533,131	14,424,870
17	4,085,997	6,361,656	7,746,046
18	12,281,729	13,502,621	11,599,129
19	2,579,582	3,590,890	3,168,131
20	102,539,050	111,813,868	107,221,063
Total Nos 11 to 20	197,165,334	226,172,901	204,715,178
21	33,055,446	39,894,914	41,411,849
22	24,981,405	34,868,734	39,150,257
23	3,019,092	2,942,615	4,336,313
24	26,984,595	36,584,270	37,166,780
25	1,167,820	875,736	812,824
26	7,451,772	7,950,659	6,717,257
27	4,140,713	4,103,491	3,949,350
28	8,693,187	8,277,518	7,856 457
29	814,509	1,970,942	2,185,141
30	30,024,140	34,213,608	35,115,672
Total, Nos. 21 to 30.	140,332,679	171,682,487	178,701,900
31	1,141,647	1,444,454	1,266,495
32	5,034,609	6,232,325	8,249,061
33	857,617	1,442,430	1,623,572
34	887,932	1,376,305	1,470,964
35	152,093	336,787	85,328
36	663,546	1,507,554	2,518,174
37	212	32,699	24,718
38	346,734	251,057	318,430
39	....	....	14,026
40	4,491,763	7,060,082	10,035,316
Total, Nos. 31 to 40.	13,576,153	19,682,693	25,606,084
Above 40.	5,421,945	10,676,230	10,390,870
Wastes, etc.	617,788	1,256,492	1,173,798
Grand Total ..	423,450,896	512,021,482	491,839,977

BOMBAY ISLAND.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927 28.
1	3,611,637	5,738,798	8,288,267
2	3,776,091	6,673,987	4,130,997
3	1,603,902	2,311,136	1,545,917
4	4,568,186	4,796,873	4,797,640
5	235,041	399,673	468,457
6	6,598,894	6,836,334	6,042,740
7	10,653,565	12,925,275	11,459,725
8	6,358,716	8,472,939	8,557,677
9	6,743,965	7,539,849	6,475,140
10	12,831,445	17,102,661	9,993,116
Total, Nos. 1 to 10.	56,981,442	72,797,525	61,759,076
11	8,890,806	15,239,106	6,049,295
12	13,164,917	15,467 482	13,545,035
13	11,778,658	8,894,201	7,028,329
14	8,947,745	14,649,022	14,871,562
15	6,590,375	7,743,619	6,545,595
16	8,868,525	11,918,414	9,713,744
17	3,482,803	5,516,072	6,302,321
18	9,695,402	11,125,019	9,725,815
19	1,033,243	1,651,870	1,283,719
20	44,505,991	61,156,278	55,958,156
Total, Nos. 11 to 20	116,958,465	153,361,083	131,023,571
21	21,236,607	24,225,848	23,858,934
22	18,465,725	26,862,545	28,567,809
23	849,525	1,348,634	2,184,389
24	21,875,867	29,773,674	30,103,373
25	999,364	786,412	761,674
26	3,267,299	4,157,913	4,368,149
27	2,766,317	2,718,500	2,353,170
28	3,543,278	4,369,881	3,959,396
29	499,771	590,195	512,233
30	5,610,453	9,215,757	10,813,099
Total, Nos. 21 to 30.	79,114,206	104,049,359	107,482,226
31	187,723	465,148	293,878
32	2,132,639	2,878,051	3,482,843
33	419,771	558,230	889,139
34	496,883	686,809	687,979
35	35,476	100,436	8,503
36	563,061	727,939	605,974
37	....	....	....
38	26,722	99,642	167,271
39	....	....	14,026
40	2,023,115	3,685,115	6,130,081
Total, Nos. 31 to 40	5,885,390	9,201,370	12,279,694
Above 40	2,503,388	4,306,898	5,028,497
Wastes, etc.	519,627	1,142,795	1,173,798
Grand Total ..	261,962,518	344,859,030	318,746,862

Note.—The suburb of Coorla, in the Thana district, is treated for statistical purposes as part of the Island of Bombay.

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

AHMEDABAD.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	168,533	224,776	450,163
2	154,657	147,257	....
3	....	24,993	4,247
4	1,093,614	1,110,386	1,030,314
5	....	....	....
6	34,516	629	2,305
7	341,607	551,966	643,253
8	16,377	3,765	5,525
9	389,038	173,703	129,003
10	812,290	319,208	59,665
Total, Nos. 1 to 10.	3,015,632	2,555,688	2,324,475
11	143,835	76,813	89,868
12	957,714	1,235,330	436,054
13	1,886,049	1,650,170	1,525,982
14	601,016	1,073,095	1,206,243
15	714,660	707,814	1,252,429
16	829,448	1,372,691	1,267,769
17	251,472	356,208	779,417
18	1,122,950	851,560	403,699
19	1,316,482	1,489,114	1,490,165
20	36,956,307	31,189,063	31,456,733
Total, Nos. 11 to 20.	44,782,933	40,001,658	39,908,359
21	9,168,117	11,072,438	12,771,807
22	4,227,870	4,828,991	6,384,742
23	2,151,109	1,534,971	1,999,336
24	1,653,452	3,667,001	5,185,700
25	113,712	68,656	26,142
26	2,271,084	1,568,832	719,636
27	1,083,562	1,204,368	1,594,123
28	4,667,415	3,397,450	3,706,948
29	298,048	1,351,681	1,432,035
30	21,416,117	21,565,599	21,841,683
Total, Nos. 21 to 30.	47,050,486	50,259,987	55,662,155
31	700,825	920,708	861,164
32	2,061,671	2,332,821	3,381,333
33	437,846	860,439	732,265
34	389,899	686,771	766,334
35	116,535	236,351	67,934
36	100,215	674,791	653,472
37	212	32,699	24,718
38	262,747	94,156	64,808
39	....	154,827	....
40	1,695,538	2,268,050	3,070,423
Total, Nos. 31 to 40.	5,765,488	8,261,613	9,622,451
Above 40.	2,126,152	4,824,932	3,595,276
Wastes, etc	....	....	....
Grand Total	102,740,694	105,907,878	111,112,716

MADRAS.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	....	....	....
2	381,989	617,654	503,302
3	....	871	....
4	321,331	504,008	580,584
5	3,368	279	9,779
6	594,131	650,736	862,025
7	948,513	580,927	407,338
8	423,271	304,318	405,323
9	212,532	55,227	65,852
10	697,112	550,336	693,860
Total, Nos. 1 to 10.	3,582,247	3,264,386	3,528,063
11	1,330,257	1,604,492	1,403,940
12	1,265,446	1,386,495	1,728,363
13	331,945	371,130	534,671
14	576,801	714,381	928,055
15	3,816,534	4,147,618	4,280,152
16	349,261	250,918	816,756
17	769,597	777,507	51,025
18	827,629	1,788,242	1,835,716
19	4,013,509	4,341,997	4,522,471
20	9,775,855	12,317,875	13,713,828
Total, Nos. 11 to 20.	23,056,834	27,700,655	29,814,977
21	8,056,095	8,332,600	8,261,898
22	3,836,905	4,439,389	4,965,985
23	992,134	1,027,758	689,763
24	6,763,458	6,146,177	6,067,943
25	124,338	1,056,132	1,762,570
26	2,459,171	2,441,546	2,507,906
27	8,160	28,303	26,981
28	2,483,721	3,435,837	3,642,861
29	....	....	....
30	1,734,120	2,033,118	2,517,210
Total Nos. 21 to 30.	26,461,102	28,940,860	30,443,117
31	....	....	....
32	2,577,144	3,086,158	3,780,382
33	....	....	661
34	10,753	1,656	573
35	....	....	....
36	....	2,369	1,626
37	....	....	....
38	....	....	....
39	....	....	....
40	891,305	869,839	375,281
Total, Nos. 31 to 40.	3,479,202	3,960,022	4,158,523
Above 40.	120,796	123,719	27,348
Wastes, etc.	396,236	508,342	757,536
Grand Total ..	57,836,673†	64,497,984	68,729,564

† Includes 740,256 lbs. for which details are not available.

No. 3--DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

UNITED PROVINCES.

Count or Number.	12 Months. April—March.		
	1925-26.	1926-27.	1927-28.
1	....	....	....
2	23,990	166,888	184,998
3	26	....	....
4	656,916	656,670	774,685
5	1,179,543	1,757,350	2,209,857
6	754,928	638,193	972,309
7	2,163,125	2,063,630	2,523,771
8	20,156	78,411	134,375
9	542,746	298,106	260,172
10	828,412	1,361,864	1,137,002
Total, Nos. 1 to 10.	6,179,842	7,021,117	8,197,169
11	12,150,648	14,097,951	11,692,044
12	3,183,887	2,538,724	2,574,362
13	3,112,347	4,480,835	4,552,595
14	6,802,311	7,097,395	6,025,569
15	984,722	1,366,609	1,039,816
16	4,699,713	6,898,330	6,604,036
17	7,695,225	6,392,089	5,267,493
18	4,068,941	4,244,301	4,455,813
19	1,651,762	2,610,728	2,108,573
20	667,363	806,542	991,540
Total, Nos. 11 to 20	45,021,919	50,533,504	45,311,841
21	1,103,462	1,154,122	1,151,574
22	2,233,346	2,289,083	3,042,899
23	1,416,583	1,987,623	2,529,903
24	2,370,634	2,627,529	2,709,876
25	....	....	4,828
26	1,164,179	1,062,073	956,783
27	....	766,126	971,884
28	32,341	75,946	9,951
29	....	55,873	....
30	337,486	411,121	550,671
Total, Nos. 21 to 30.	8,708,011	10,459,496	11,927,869
31	....	....	33
32	44,943	117,570	263,247
33	....	....	....
34	346	11,893	10,857
35	....	....	....
36	182,047	320,027	2,969
37	....	....	....
38	....	....	8,523
39	....	....	....
40	4,934	77,268	471,491
Total, Nos. 31 to 40.	232,170	526,758	757,133
Above 40.	80,840	184,710	295,699
Wastes, etc.	62,094	69,424	109,216
Grand Total ..	60,293,876	68,795,009	66,598,927

BENGAL.

Count or Number.	12 Months. April—March.		
	1925-26.	1926-27.	1927-28.
1	....	....	....
2	348,872	347,858	397,790
3	24,971	22,915	26,074
4	....	....	....
5	....	37	....
6	35,563	87,788	42,021
7	458,662	513,144	457,782
8	49,332	200,691	129,775
9	264,214	387,043	500,699
10	387,057	640,552	510,590
Total, Nos. 1 to 10.	1,568,671	2,230,028	2,094,681
11	2,768,730	4,754,152	5,110,810
12	1,094,590	1,165,814	1,020,817
13	1,197,867	2,202,819	1,490,541
14	814,723	855,988	1,013,615
15	2,028,849	2,656,678	3,229,336
16	2,118,945	2,590,463	2,809,618
17	2,185,867	2,401,301	2,002,955
18	103,422	100,967	271,410
19	1,354,966	1,057,319	1,317,227
20	1,047,534	3,398,255	2,253,388
Total, Nos. 11 to 20.	14,715,493	21,183,756	20,519,717
21	2,389,386	1,513,607	2,266,763
22	2,349,696	1,563,980	2,002,094
23	250,452	126,896	6,208
24	1,044,534	1,423,521	2,230,939
25	3,326	....	39,243
26	216,349	158,222	331,340
27	2,754	12,116	1,588
28	175,222	118,745	79,822
29	....	....	....
30	959,272	873,820	928,099
Total, Nos. 21 to 30.	7,391,191	5,791,207	7,886,156
31	....	....	....
32	301,517	653,146	420,191
33	....	....	5,119
34	61	....	72,905
35	....	....	....
36	233	....	89,517
37	....	....	....
38	....	....	....
39	....	....	....
40	24,990	15,467	22,568
Total, Nos. 31 to 40.	416,801	668,613	610,300
Above 40.	30,565	190,582	57,161
Wastes, etc.	....	1,473,252	3,180,029
Grand Total ..	24,122,721	31,537,438	34,348,044

No. 3.—*DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun*—continued.

AJMER-MERWARA.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	....	....	....
2	....	....	....
3	....	....	....
4	....	....	....
5	....	....	....
6	837	....	....
7	55,193	201,894	100,142
8	215,621	244,924	220,093
9	664,104	598,743	366,674
10	301,223	262,615	320,330
Total, Nos. 1 to 10.	1,236,978	1,308,176	1,007,239
11	124,973	123,824	53,204
12	399,780	423,385	580,989
13	419,375	307,263	285,328
14	488,744	412,062	440,244
15	1,505	27,737	27,145
16	282,027	209,745	157,385
17	....	34,134	6,069
18	....	....	....
19	....	....	....
20	927,465	954,894	973,522
Total, Nos. 11 to 20.	2,643,869	2,493,044	2,523,886
21	30,647	50,294	32,498
22	....	....	....
23	....	....	....
24	53	....	....
25	....	824	....
26	2,033	807	....
27	....	807	....
28	....	1,180	....
29	....	1,337	....
30	625,660	624,352	653,830
Total, Nos. 21 to 30.	658,393	679,601	686,328
31	....	....	....
32	....	10,380	....
33	....	....	....
34	106	....	....
35	....	....	....
36	20	....	....
37	....	....	....
38	....	....	....
39	....	....	....
40	3,535	12,676	12,957
Total, Nos. 31 to 40.	3,661	23,056	12,957
Above 40	1,689	6,184	....
Wastes, etc.	618	3,375	....
Grand Total	4,545,208	4,513,436	4,230,410

PUNJAB.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	....	....	....
2	....	....	366
3	....	....	....
4	....	....	....
5	....	....	2,077
6	....	....	....
7	....	47,563	104,719
8	32,099	98,213	109,890
9	290,401	248,662	511,454
10	46,843	196,938	141,200
Total, Nos. 1 to 10.	369,343	591,376	869,706
11	791,566	718,333	742,513
12	59,918	57,487	29,103
13	728,462	728,861	755,278
14	206,660	101,930	231,768
15	320	4,080	48,713
16	32,922	3,685	6,752
17	2,627	18,897	51,710
18	521	....	1,573
19	63,491	63,327	857
20	501,131	584,758	761,298
Total, Nos. 11 to 20.	2,387,648	2,281,358	2,629,565
21	....	....	....
22	52,573	15,733	2,646
23	....	161,431	168,474
24	1,343	....	542
25	....	....	....
26	108,284	116,387	108,055
27	....	....	
28	....	....	899
29	....	....	....
30	24,349	....	563
Total, Nos. 21 to 30.	186,549	293,551	281,184
31	1,110	....	....
32	....	....	....
33	....	....	....
34	....	....	....
35	....	....	....
36	....	....	....
37	....	....	....
38	....	....	....
39	....	....	....
40	....	....	....
Total, Nos. 31 to 40.	1,110	....	....
Above 40.	....	....	....
Wastes, etc.	....	7,332	....
Grand Total	2,944,650	3,173,617	3,780,455

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—continued.

DELHI.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	....	....	62,085
2	263,017	412,569	536,419
3	....	....	....
4	....	....	....
5	....	....	....
6	....	2,986	5,398
7	3,978	....	....
8	100,316	311,451	63,186
9	97,822	....	248,924
10	756,911	1,136,793	1,251,221
Total Nos. 1 to 10.	1,222,044	1,863,799	2,167,233
11	2,109,065	2,248,404	2,683,634
12	460,716	345,821	7,053
13	1,622,632	2,266,418	2,749,023
14	150,475	191,773	104,693
15	645,466	328,572	305,849
16	992,070	682,409	246,550
17	64,332	83,326	3,901
18	106,149	166,111	1,188,836
19	20,144	10,028	42,502
20	314,745	1,253,996	1,569,971
Total, Nos. 11 to 20.	6,485,794	7,776,858	8,902,012
21	359	....	6,859
22	27,477	469	....
23	....	43,350	....
24	52,574	13,236	300,719
25	12,927	54	12,427
26	91,478	594,400	669,747
27	....	....	....
28	28,347	....	....
29	....	....	....
30	74,954	5,843	2,994
Total, Nos. 21 to 30.	288,116	657,382	992,746
31	....	....	....
32	....	....	687
33	....	....	....
34	....	....	....
35	....	....	....
36	334	....	....
37	....	....	....
38	....	....	....
39	....	....	....
40	....	....	....
Total, Nos. 31 to 40	334	....	687
Above 40.	....	....	....
Wastes, etc.	....	11,621	44,276
Grand Total ..	8,060,573*	10,309,660	12,106,954

CENTRAL PROVINCES & BERAR.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28
1	52,629	93,213	56,506
2	656,243	434,577	458,812
3	4,729	146,020	160,003
4	430,898	421,469	373,145
5	924	20,138	60,976
6	320,686	387,340	304,398
7	2,892,876	3,660,328	2,913,696
8	210,017	156,384	255,478
9	3,365,549	3,699,772	3,588,790
10	886,179	679,471	826,086
Total, Nos. 1 to 10.	8,820,730	9,698,712	8,993,890
11	2,986,899	2,352,485	2,311,585
12	4,649,496	4,317,346	4,717,814
13	2,201,410	2,372,702	2,905,884
14	1,231,043	1,182,156	1,866,694
15	1,409,839	1,359,827	2,063,449
16	2,291,557	2,430,933	2,219,343
17	1,617,768	957,653	2,089,223
18	291,118	627,169	1,169,247
19	662,620	882,517	609,834
20	6,138,687	4,986,746	4,759,877
Total, Nos. 11 to 20	23,480,437	21,469,534	24,712,950
21	1,053,566	1,035,445	1,859,760
22	1361,036	1,185,227	1,276,681
23	379	....	10,688
24	2,750,506	2,721,953	3,212,548
25	148,233	161,572	153,414
26	1,040,552	683,767	411,424
27	....	6,565	294
28	252,824	346,121	387,099
29	1,617	1,411	17,227
30	336,459	250,749	289,800
Total, Nos. 21 to 30.	6,945,172	6,392,810	7,618,935
31	....	....	....
32	239,220	433,012	361,277
33	9,838	....	....
34	439,317	329,434	327,106
35	....	....	4,996
36	13	32,348	76,361
37	5,631	....	....
38	5,313	....	956
39	22,253	6,095	....
40	67,120	75,051	63,035
Total, Nos. 31 to 40	783,755	875,940	833,731
Above 40.	151,239	154,297	189,186
Wastes, etc.	241,871	304,200	511,388
Grand Total ..	40,428,204	38,895,493	42,860,080

* Includes 64,285 lbs. for which details are not available.

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds, and the COUNTS (or numbers) of YARN Spun—continued.

BURMA.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	....	....	....
2	....	....	....
3	....	6,368	....
4	....	8,077	....
5	....	....	....
6	....	3,878	....
7	22,240	8,690	....
8	....	....	....
9	....	....	....
10	....	....	....
Total, Nos. 1 to 10 ..	22,240	27,013	....
11	1,103,475	349,150	13,775
12	....	....	....
13	164,300	60,475	2,150
14	48,750	....	....
15	182,805	32,375	46,900
16	....	....	....
17	74,825	11,100	1,150
18	....	....	....
19	....	....	....
20	....	....	....
Total, Nos. 11 to 20 ..	1,574,155	453,100	63,975
21	91,325	....	....
22	....	....	....
23	....	....	....
24	350	....	....
25	....	....	....
26	....	....	....
27	....	....	....
28	....	....	....
29	....	....	....
30	....	....	....
Total, Nos. 21 to 30 ..	91,675	....	....
31	....	....	....
32	....	....	....
33	....	....	....
34	....	....	....
35	....	....	....
36	....	....	....
37	....	....	....
38	....	....	....
39	....	....	....
40	....	....	....
Total, Nos. 31 to 40 ..	....	....	....
Above 40 ..	....	....	....
Wastes, etc. ..	....	....	....
Grand Total..	1,688,070	480,113*	63,975†

* Represents production during the four months April to July 1926 only, the mill being closed from August 1926.

† Represents production in March 1928.

No. 3.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—concluded.

TOTAL OF BRITISH INDIA.

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	4,009,017	6,237,404	9,046,651
2	6,595,873	9,950,556	7,423,103
3	1,774,073	2,553,413	1,804,665
4	7,427,877	8,072,264	8,016,412
5	1,421,843	2,179,652	2,760,005
6	8,791,365	8,891,956	8,481,022
7	18,159,904	21,499,149	19,427,410
8	7,638,005	9,971,560	9,944,685
9	14,129,689	14,910,528	14,067,380
10	19,391,445	24,287,804	17,138,800
Total, Nos. 1 to 10	89,339,091	108,554,286	98,110,133
11	34,778,113	43,436,068	32,485,686
12	26,686,306	28,079,582	25,770,753
13	25,771,117	25,393,514	24,125,645
14	21,665,777	28,296,336	28,404,191
15	16,809,552	18,918,782	19,367,123
16	24,386,968	29,799,614	27,285,310
17	16,496,238	17,037,663	17,219,582
18	17,679,509	20,429,411	20,521,724
19	10,346,074	12,556,806	11,769,595
20	121,911,830	136,116,934	132,244,487
Total, Nos. 11 to 20	316,531,484	360,064,710	339,194,096
21	45,780,286	51,980,982	54,991,201
22	34,842,438	44,362,615	50,440,562
23	5,678,640	6,289,703	7,741,349
24	39,968,047	49,516,686	51,689,407
25	1,456,644	2,094,318	2,785,306
26	12,533,818	13,007,861	11,702,012
27	4,151,827	4,917,708	4,950,102
28	11,668,642	12,255,347	11,977,089
29	816,126	2,029,563	2,202,368
30	34,166,420	38,442,611	40,058,839
Total, Nos. 21 to 30	191,062,888	224,897,394	238,538,235
31	1,142,757	1,444,454	1,266,528
32	8,287,333	10,532,591	13,074,845
33	867,455	1,442,430	1,629,352
34	1,338,515	1,719,288	1,882,415
35	152,093	336,787	90,324
36	846,193	1,862,298	2,688,647
37	5,893	32,699	24,718
38	352,047	251,057	327,912
39	22,253	6,095	14,026
40	5,483,647	8,110,383	10,980,648
Total, Nos. 31 to 40	18,498,186	25,738,082	31,979,415
Above 40	5,816,074	11,335,722	10,960,264
Wastes, etc.	1,318,607	3,634,038	5,776,243
Grand Total	623,370,871	734,224,232	724,558,386

No. 4.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun.

INDIAN STATES (*a*)

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	91,990	157,470	220,839
2	....	99,446	88,028
3	373,677	271,356	332,606
4	326,953	324,728	554,414
5	16,692	56,043	3,236
6	529,606	960,029	1,248,080
7	1,592,574	845,237	917,299
8	491,017	257,800	548,733
9	1,261,696	1,124,355	1,396,649
10	1,700,399	1,993,780	2,550,970
TOTAL, Nos. 1 to 10	6,384,604	6,090,244	7,860,854
11	1,355,408	1,693,460	1,879,328
12	1,730,821	2,405,677	3,323,944
13	657,952	1,666,160	2,045,889
14	4,591,051	4,962,259	4,944,381
15	6,021,703	3,347,494	3,730,942
16	2,662,645	4,655,992	6,078,704
17	751,989	1,255,344	1,391,052
18	2,245,108	2,824,208	3,783,577
19	2,061,610	2,556,214	2,865,374
20	10,414,770	15,604,607	19,579,464
TOTAL, Nos. 11 to 20	32,493,057	40,971,415	49,622,655
21	6,598,567	5,683,533	4,249,121
22	2,777,552	1,617,175	2,558,078
23	2,192,167	2,821,503	1,774,946
24	3,014,126	3,105,288	5,229,599
25	450,812	872,850	761,081
26	2,078,577	2,371,057	2,944,434
27	1,063,580	1,340,984	515,147
28	1,849,278	1,938,848	2,472,863
29	613,410	410,875	179,616
30	2,087,400	3,251,368	3,829,828
TOTAL, Nos. 21 to 30	22,725,469	23,413,481	24,514,713
31	178,106	314,627	323,506
32	684,361	550,175	270,358
33	3,043	11,371	25,563
34	19,763	81,296	52,325
35	24,613	125,952	79,109
36	51,292	62,825	41,032
37	....	453	....
38	18	4,674	77,467
39	....	....	....
40	278,101	767,398	908,322
TOTAL, Nos. 31 to 40	1,239,297	1,918,771	1,777,682
Above 40	18,250	195,736	181,557
Wastes, etc.	195,931	302,030	395,000
GRAND TOTAL	63,056,608	72,891,701*	84,352,461

* Includes 24 lbs. of yarn for which details are not available.

(*a*) See notes at foot of Table No. 1.

No. 5.—DETAILED STATEMENT of the QUANTITY (in pounds) and the COUNTS (or numbers) of YARN Spun—concluded.

GRAND TOTAL, INDIA (British India and Indian States).

Count or Number.	12 Months, April to March.		
	1925-26.	1926-27.	1927-28.
1	4,101,007	6,394,874	9,267,490
2	6,595,873	10,050,002	7,511,131
3	2,147,750	2,824,769	2,137,271
4	7,754,830	8,396,992	8,570,826
5	1,438,535	2,235,695	2,763,241
6	9,320,971	9,851,985	9,729,102
7	19,752,478	22,344,386	20,344,709
8	8,129,022	10,229,360	10,493,418
9	15,391,385	16,034,883	15,464,029
10	21,091,844	26,281,584	19,689,770
Total, Nos. 1 to 10	95,723,695	114,644,530	105,970,987
11	36,133,521	45,129,528	34,365,014
12	28,417,127	30,485,259	29,094,697
13	26,429,069	27,059,674	26,171,534
14	26,256,828	33,258,595	33,348,572
15	22,831,255	22,266,276	23,098,065
16	27,049,613	34,455,606	33,364,014
17	17,248,227	18,293,007	18,610,634
18	19,924,617	23,253,619	24,305,301
19	12,407,684	15,113,020	14,634,969
20	132,326,600	151,721,541	151,823,951
Total, Nos. 11 to 20	349,024,541	401,036,125	388,816,751
21	52,378,853	57,664,515	59,240,322
22	37,619,990	45,979,790	52,998,640
23	7,870,807	9,111,206	9,516,295
24	42,982,173	52,621,974	56,919,006
25	1,907,456	2,967,168	3,546,387
26	14,612,395	15,378,918	14,646,446
27	5,215,407	6,258,692	5,465,249
28	13,517,920	14,194,195	14,449,952
29	1,429,536	2,440,438	2,381,984
30	36,253,820	41,693,979	43,888,667
Total, Nos. 21 to 30	213,788,357	248,310,875	263,052,948
31	1,320,863	1,759,081	1,590,034
32	8,971,694	11,082,766	13,345,203
33	870,498	1,453,801	1,654,915
34	1,358,278	1,800,584	1,934,740
35	176,706	462,739	169,433
36	897,485	1,925,123	2,729,679
37	5,893	33,152	24,718
38	352,065	255,731	405,379
39	22,253	6,095	14,026
40	5,761,748	8,877,781	11,888,970
Total, Nos. 31 to 40	19,737,483	27,656,853	33,757,097
Above 40	5,834,324	11,531,458	11,141,821
Wastes, etc.	1,514,538	3,936,068	6,171,243
Grand Total	686,427,479	807,115,933	808,910,847

No. 6.—*DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured.*

BOMBAY PRESIDENCY.

Description.		12 Months. April—March. 1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	16,601,754	17,223,446	18,155,705
	yards	46,035,300	47,395,079	47,508,824
Dhutis	pounds	80,904,736	89,840,887	94,512,703
	yards	389,975,599	442,322,423	460,323,541
Drills and jeans	pounds	10,666,686	13,368,689	15,985,056
	yards	44,927,406	54,602,631	63,963,885
Cambrics and lawns	pounds	520,962	351,348	723,169
	yards	2,893,436	1,891,812	4,079,196
Printers	pounds	3,036,849	2,078,208	1,918,181
	yards	13,163,986	9,328,499	8,357,886
Shirtings and longcloth	pounds	97,737,683	109,517,079	113,833,182
	yards	431,167,508	479,505,505	509,663,607
T-cloth, domestics and sheetings	pounds	11,816,551	16,994,871	15,949,252
	yards	54,843,424	71,168,250	63,184,014
Tent cloth	pounds	1,575,261	1,341,117	764,282
	yards	3,824,301	2,727,043	1,618,657
Khadi, Dungri or Khaddar	pounds	13,372 083	21,327,840	23,411,564
	yards	37,006,083	57,778,717	64,512,078
Other sorts	pounds	6,235,416	5,628,774	5,638,125
	yards	27,915,512	23,294,549	25,809,715
Total	pounds	242,467,981	277,672,259	290,891,219
	yards	1,051,752,555	1,190,014,508	1,249,016,403
Coloured piece-goods	pounds	94,545,902	121,786,023	120,625,507
	yards	458,633,305	596,312,888	579,500,759
Grey and coloured goods, other than piece-goods	pounds	2,514,545	2,635,365	2,757,542
	dozens	769,433	710,489	752,338
Hosiery	pounds	242,848	273,303	371,854
	dozens	116,498	119,360	168,479
Miscellaneous	pounds	1,605,937	2,899,827	3,452,374
Cotton goods mixed with silk or wool	,,	653,199	2,015,723	3,492,382
Grand Total	pounds	342,030,412	407,282,500	421,590,878
	yards	1,510,385,860	1,786,327,396	1,828,517,162
	dozens	885,931	829,849	920,817

BOMBAY ISLAND.

Description.		12 Months, April—March. 1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	10,408,213	11,795,224	12,550,347
	yards	26,795,034	30,274,912	31,155,037
Dhutis	pounds	21,854,701	28,058,433	31,593,967
	yards	115,412,150	150,181,287	168,795,029
Drills and jeans	pounds	9,018,280	12,228,709	14,908,659
	yards	38,407,817	49,819,626	59,248,069
Cambrics and lawns	pounds	223,443	74,625	389,142
	yards	1,449,052	351,516	2 395,462
Printers	pounds	238,147	36	..
	yards	1,041,540	144	..
Shirtings and longcloth	pounds	68,864,828	84,777,861	82,775,680
	yards	306,776,092	373,986,861	378,052,903
T-cloth, domestics and sheetings	pounds	8,018,751	12,477,070	11,073,194
	yards	36,194,764	48,612,917	39,400,503
Tent cloth	pounds	978,722	1,155,235	652,473
	yards	2,204,664	2,338,562	1,380,882
Khadi, Dungri or Khaddar	pounds	9 723,619	18,543,591	18,343,332
	yards	27 513 538	50,845,763	50,709,244
Other sorts	pounds	2,667,206	3,183,552	3,273,434
	yards	10,302,353	11,264,084	13,050,214
Total	pounds	131,995,910	172,294,336	175,564,228
	yards	566,097,004	717,675,672	744,187,343
Coloured piece-goods	pounds	63,429,517	86,481,599	82,769,681
	yards	305,743,730	417,344,843	387,333,489
Grey and coloured goods, other than piece-goods	pounds	2,409,237	2,542,467	2,681,078
	dozens	721,452	656,743	714,399
Hosiery	pounds	75,799	67,772	120,724
	dozens	72,036	66,178	102,918
Miscellaneous	pounds	1,281,046	2,362,079	2,710,576
Cotton goods mixed with silk or wool	,,	467,664	1,371,405	2,090,649
Grand Total	pounds	199,659,173	265,119,658	265,936,936
	yards	871,840,734	1,135,020,515	1,131,520,832
	dozens	793,488	722,921	817,317

Note.—The suburb of Coorla, in the Thana District, is treated for statistical purposes as part of the Island of Bombay.

No. 6.—*DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured*—continued.

AHMEDABAD.

Description.		Twelve months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods.—				
Chadars	pounds	4,826,414	4,240,830	4,183,315
	yards	15,692,438	14,412,111	13,020,976
Dhutis	pounds	47,110,779	50,573,946	50,363,845
	yards	221,272,524	241,892,750	236,511,151
Drills and jeans	pounds	666,734	321,371	251,766
	yards	2,778,128	1,436,987	1,135,086
Cambrics and lawns	pounds	219,412	268,915	328,451
	yards	1,128,191	1,477,037	1,645,418
Printers	pounds	1,883,406	1,080,244	910,561
	yards	7,840,944	4,606,663	3,912,701
Shirtings and longcloth	pounds	22,821,029	18,417,412	23,727,176
	yards	104,897,142	86,868,357	109,353,266
T-cloth, domestics and sheetings	pounds	3,312,412	3,532,459	3,647,797
	yards	16,125,480	18,141,238	18,607,174
Tent cloth	pounds	499,114	21,114	59,163
	yards	1,362,631	71,082	128,350
Khadi, Dungri or Khaddar	pounds	1,099,591	750,640	1,091,696
	yards	2,975,868	2,007,236	3,170,310
Other sorts	pounds	2,485,601	1,431,865	1,480,368
	yards	13,142,242	8,287,471	8,445,945
TOTAL	pounds	84,924,492	80,638,796	86,044,138
	yards	387,215,588	379,200,932	395,930,377
Coloured piece-goods	pounds	20,123,522	22,628,635	23,066,517
	yards	111,027,005	128,075,038	129,861,028
Grey and coloured goods, other than piece-goods.	pounds	13,203	18,492	16,208
	dozens	8,806	14,448	13,057
Hosiery	pounds	166,233	205,531	251,130
	dozens	44,204	53,184	65,561
Miscellaneous	pounds	276,571	481,901	653,211
Cotton goods mixed with silk or wool	,,	174,267	627,327	1,377,509
GRAND TOTAL	pounds	105,678,288	104,600,682	111,408,713
	yards	498,242,593	507,275,970	525,791,405
	dozens	53,010	67,632	78,618

MADRAS.

Description.		Twelve months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	268,941	319,021	263,443
	yards	621,318	739,131	637,147
Dhutis	pounds	1,767,524	1,826,113	1,634,141
	yards	8,578,548	9,180,982	8,419,715
Drills and jeans	pounds	958,349	695,464	727,126
	yards	3,178,679	1,990,873	2,003,144
Cambrics and lawns	pounds	3,661	28,915	....
	yards	22,626	79,760	....
Printers	pounds	....	....	....
	yards	....	....	....
Shirtings and longcloth	pounds	1,255,590	3,221,294	3,406,983
	yards	4,407,685	12,273,587	13,129,481
T-cloth, domestics and sheetings	pounds	646,740	52,238	49,616
	yards	2,455,303	196,713	180,350
Tent cloth	pounds	4,294	4,241	1,708
	yards	7,944	6,902	2,595
Khadi, Dungri or Khaddar	pounds	722,887	700,175	886,768
	yards	1,928,762	1,319,250	1,534,624
Other sorts	pounds	321,451	224,813	334,657
	yards	1,214,221	624,439	672,249
TOTAL	pounds	5,949,437	7,072,274	7,304,442
	yards	22,416,086	26,411,637	26,579,305
Coloured piece-goods	pounds	9,709,158	10,331,383	10,960,516
	yards	32,241,195	31,787,158	33,389,025
Grey and coloured goods other than piece-goods.	pounds	545,315	713,873	474,757
	dozens	121,582	153,923	101,320
Hosiery	pounds	36,551	73,225	92,473
	dozens	18,096	27,267	32,822
Miscellaneous	pounds	693,955	11,984	15,991
Cotton goods mixed with silk or wool	,,	....	217,845	1,097,452
GRAND TOTAL	pounds	16,934,416	18,420,584	19,945,631
	yards	54,657,281	58,198,795	59,968,330
	dozens	139,678	181,190	134,142

No. 6.—*DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured*—continued.

BENGAL.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	267	386,635	207,053
	yards	2,703	1,729,587	615,338
Dhutis	pounds	4,709,868	3,469,981	4,565,915
	yards	23,579,301	17,949,552	23,350,059
Drills and jeans	pounds	5,883	17,236	....
	yards	53,130	142,279	....
Cambrics and lawns	pounds	....	....	....
	yards	....	....	....
Printers	pounds	....	32,517	....
	yards	....	143,910	....
Shirtings and longcloth	pounds	2,779,796	2,298,267	1,657,407
	yards	12,015,843	9,221,456	7,086,743
T-cloth, domestics and sheetings	pounds	....	....	17,067
	yards	....	....	99,517
Tent cloth	pounds	....	1,126	....
	yards	....	4,173	....
Khadi, Dungri or Khaddar	pounds	282,381	81,275	413,016
	yards	1,254,852	463,333	1,140,974
Other sorts	pounds	6,943	414,070	16,093
	yards	60,293	1,161,172	147,876
TOTAL	pounds	7,785,138	6,701,107	6,876,551
	yards	36,966,122	30,815,462	32,440,507
Coloured piece-goods	pounds	....	229,393	723,158
	yards	....	1,018,788	3,389,381
Grey and coloured goods other than piece-goods.	pounds	....	....	....
	dozens	....	....	....
Hosiery	pounds	287,033	346,073	468,041
	dozens	80,277	98,212	120,671
Miscellaneous	pounds	636,043	153,697	175,167
Cotton goods mixed with silk or wool	,,	....	64,910	65,609
GRAND TOTAL	pounds	8,708,214	7,495,180	8,308,526
	yards	36,966,122	31,834,250	35,829,888
	dozens	80,277	98,212	120,671

UNITED PROVINCES.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	1,822,409	1,285,478	1,432,794
	yards	4,856,025	3,084,417	2,832,005
Dhutis	pounds	5,813,658	8,437,083	9,915,700
	yards	24,020,355	34,502,722	43,630,883
Drills and jeans	pounds	1,016,534	943,665	1,043,183
	yards	3,217,957	2,767,905	3,325,945
Cambrics and lawns	pounds	18,680	73,815	104,516
	yards	76,260	334,140	473,002
Printers	pounds	529,719	774,512	729,592
	yards	2,062,760	2,478,570	2,511,843
Shirtings and longcloth	pounds	2,389,585	2,925,895	2,237,174
	yards	8,512,760	10,762,429	9,070,922
T-cloth, domestics and sheetings	pounds	2,853,513	3,264,827	4,992,846
	yards	9,542,607	10,048,616	16,036,133
Tent cloth	pounds	484,336	693,622	709,368
	yards	1,055,078	1,521,317	1,503,409
Khadi, Dungri or Khaddar	pounds	1,847,353	141,224	55,641
	yards	6,027,008	490,241	132,605
Other sorts	pounds	134,560	1,642,209	1,511,436
	yards	640,100	5,710,996	6,025,254
TOTAL	pounds	16,910,347	20,182,330	22,732,250
	yards	60,010,910	71,701,353	85,542,001
Coloured piece-goods	pounds	1,256,986	1,278,320	1,684,581
	yards	4,693,678	4,767,380	6,484,348
Grey and coloured goods other than piece-goods.	pounds	203,364	355,135	544,656
	dozens	31,980	68,346	91,839
Hosiery	pounds	42,489	53,832	68,138
	dozens	16,300	22,653	30,762
Miscellaneous	pounds	11,042	72,422	77,982
Cotton goods mixed with silk or wool	,,	54,513	1,011	6,951
GRAND TOTAL	pounds	18,478,741	21,943,050	25,114,558
	yards	64,704,588	76,468,733	92,026,349
	dozens	48,280	90,999	122,601

No. 6.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured—continued.

AJMER-MERWARA.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	61,317	125,442	109,836
	yards	145,234	258,194	217,348
Dhutis	pounds	1,404,915	1,284,776	1,119,237
	yards	6,136,057	5,612,204	4,950,033
Drills and jeans	pounds	18,258	7	1,131
	yards	66,849	16	4,623
Cambrics and lawns	pounds	....	....	....
	yards	....	....	....
Printers	pounds	120,849	82,606	88,965
	yards	367,363	269,562	301,335
Shirtings and longcloth	pounds	341,582	416,475	549,539
	yards	1,342,891	1,754,605	2,386,672
T-cloth, domestics and sheetings	pounds	151,097	159,232	200,335
	yards	637,820	659,077	869,628
Tent cloth	pounds	....	....	....
	yards	....	....	....
Khadi, Dungri or Khaddar	pounds	1,268,807	1,056,558	1,157,105
	yards	4,068,870	3,374,766	3,911,976
Other sorts	pounds	73,889	133,676	81,689
	yards	....	180,178	....
TOTAL	pounds	3,440,714	3,258,772	3,307,837
	yards	12,765,084	12,108,602	12,641,615
Coloured piece-goods	pounds	5,649	6,163	4,887
	yards	15,475	23,600	19,395
Grey and coloured goods other than piece-goods	pounds	1,225	1,288	1,086
	dozens	68	167	208
Hosiery	pounds	....	....	....
	dozens	....	....	....
Miscellaneous	pounds	....	19,779	....
Cotton goods mixed with silk or wool	,,	....	8,517	46,635
GRAND TOTAL	pounds	3,447,588	3,294,519	3,360,445
	yards	12,780,559	12,132,208	12,661,010
	dozens	68	167	208

PUNJAB.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	144,090	165,721	166,022
	yards	399,505	499,006	504,034
Dhutis	pounds	175,385	184,670	169,692
	yards	580,918	625,419	546,519
Drills and jeans	pounds	15,612	7,935	160
	yards	47,258	24,404	460
Cambrics and lawns	pounds	8,008	558	....
	yards	34,748	1,240	....
Printers	pounds	....	....	....
	yards	....	....	....
Shirtings and longcloth	pounds	69,856	263,939	270,948
	yards	351,821	1,681,273	1,624,296
T-cloth, domestics and sheetings	pounds	9,747	31,957	....
	yards	46,259	176,279	....
Tent cloth	pounds	4,266	....	....
	yards	15,789	....	....
Khadi, Dungri or Khaddar	pounds	718,845	690,907	864,491
	yards	2,395,247	2,288,825	2,805,744
Other sorts	pounds	14,858	35,409	47,243
	yards	335	149,835	199,196
TOTAL	pounds	1,160,667	1,381,096	1,518,556
	yards	3,871,880	5,446,281	5,680,249
Coloured piece-goods	pounds	17,275	11,442	30,455
	yards	116,958	66,984	183,518
Grey and coloured goods other than piece-goods	pounds	....	135	69
	dozens	....	35	17
Hosiery	pounds	....	....	....
	dozens	....	....	....
Miscellaneous	pounds	....	....	....
Cotton goods mixed with silk or wool	,,	....	....	....
GRAND TOTAL	pounds	1,177,942	1,392,673	1,549,080
	yards	3,988,838	5,513,265	5,863,767
	dozens	....	35	17

No. 6.—*DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured*—continued.

DELHI.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	587,159	1,387,416	1,757,585
	yards	1,415,794	3,550,320	4,625,788
Dhutis	pounds	1,384,795	1,949,613	2,006,475
	yards	5,179,137	7,371,371	7,370,354
Drills and jeans	pounds	10,300	41,324	217,530
	yards	34,767	130,176	777,896
Cambrics and lawns	pounds	....	21,983	....
	yards	....	132,300	....
Printers	pounds	....	....	....
	yards	....	....	....
Shirtings and longcloth	pounds	122,030	350,482	1,220,810
	yards	445,184	1,381,452	5,056,083
T-cloth, domestics and sheetings	pounds	72,626	194,348	74,566
	yards	285,926	734,592	226,626
Tent cloth	pounds	1,004,591	763,588	437,816
	yards	2,280,533	1,622,965	1,112,165
Khadi, Dungri or Khaddar	pounds	3,008,510	2,895,046	3,657,585
	yards	8,668,719	8,567,901	11,150,786
Other sorts	pounds	129	369,425	273,238
	yards	946	1,082,618	742,773
Total	pounds	6,190,140	7,973,225	9,645,605
	yards	18,311,006	24,573,695	31,062,471
Coloured piece-goods	pounds	343,824	324,281	517,326
	yards	1,317,260	1,548,009	2,884,279
Grey and coloured goods other than piece-goods.	pounds	6,454	13,934	36,879
	dozens	4,104	41,631	18,673
Hosiery	pounds	....	....	....
	dozens	....	....	....
Miscellaneous	pounds	....	....	258
Cotton goods mixed with silk or wool	,,	....	491	5,282
Grand Total	pounds	6,540,418	8,311,931	10,205,350
	yards	19,628,266	26,121,704	33,946,750
	dozens	4,104	41,631	18,673

CENTRAL PROVINCES AND BERAR.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	1,133,236	964,820	704,936
	yards	2,873,324	2,372,101	1,791,549
Dhutis	pounds	7,322,952	6,756,325	6,177,894
	yards	30,683,593	28,438,567	26,218,427
Drills and jeans	pounds	1,440,992	1,952,199	1,284,824
	yards	4,789,813	6,810,284	4,929,937
Cambrics and lawns	pounds	7,786	137,217	6,363
	yards	48,190	623,550	43,859
Printers	pounds	337,592	324,028	394,547
	yards	1,680,092	1,647,958	1,978,949
Shirtings and longcloth	pounds	2,159,535	2,449,174	1,705,110
	yards	8,757,390	10,017,122	7,488,881
T-cloth, domestics and sheetings	pounds	402,257	368,476	632,756
	yards	1,574,651	1,544,696	2,697,990
Tent-cloth	pounds	321,199	158,719	414,380
	yards	598,525	328,921	961,521
Khadi, Dungri or Khaddar	pounds	1,084,879	1,380,521	2,149,995
	yards	3,135,718	3,973,515	6,304,959
Other sorts	pounds	167,546	173,766	329,955
	yards	977,393	825,094	1,532,699
Total	pounds	14,377,974	14,665,245	13,800,760
	yards	55,118,689	56,581,808	53,948,771
Coloured piece-goods	pounds	4,242,311	3,676,229	4,548,427
	yards	16,153,582	14,081,950	17,990,283
Grey and coloured goods other than piece-goods.	pounds	433,907	373,116	377,067
	dozens	27,230	20,981	24,315
Hosiery	pounds	42,139	....	....
	dozens	....	....	....
Miscellaneous	pounds	367,965	338,195	488,471
Cotton goods mixed with silk or wool	,,	....	4,845	1,825
Grand Total	pounds	19,464,296	19,057,630	19,216,550
	yards	71,272,271	70,663,758	71,939,054
	dozens	27,230	20,981	24,315

No. 6.—*DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured*—concluded.

TOTAL OF BRITISH INDIA.

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	20,619,173	21,857,979	22,797,374
	yards	56,350,203	59,627,835	58,732,033
Dhutis	pounds	103,483,833	113,749,448	120,101,757
	yards	488,733,508	546,003,240	574,859,531
Drills and jeans	pounds	14,132,614	17,026,519	19,259,010
	yards	56,315,859	66,468,568	75,005,890
Cambrics and lawns	pounds	559,097	613,526	834,048
	yards	3,075,260	3,062,802	4,596,057
Printers	pounds	4,025,009	3,291,871	3,131,285
	yards	17,274,201	13,868,469	13,145,013
Shirtings and longcloth	pounds	106,855,657	121,442,605	124,881,153
	yards	467,001,082	526,597,429	555,506,685
T-cloth, domestics and sheetings	pounds	15,952,531	21,065,949	21,916,438
	yards	69,385,990	84,528,223	83,294,258
Tent-cloth	pounds	3,393,947	2,962,413	2,327,554
	yards	7,782,170	6,211,321	5,198,347
Khadi, Dungri or Khaddar	pounds	22,305,745	28,273,546	32,596,165
	yards	64,485,259	78,256,548	91,493,746
Other sorts	pounds	6,954,792	8,622,142	8,232,436
	yards	30,808,800	33,028,881	35,129,762
Total	pounds	298,282,398	338,906,308	356,077,220
	yards	1,261,212,332	1,417,653,346	1,496,911,322
Coloured piece-goods	pounds	110,121,105	137,643,234	139,094,857
	yards	513,171,453	649,606,757	643,840,988
Grey and coloured goods other than piece-goods.	pounds	3,704,810	4,092,846	4,192,056
	dozens	954,397	995,572	988,710
Hosiery	pounds	651,660	746,423	1,000,506
	dozens	231,171	267,492	352,734
Miscellaneous	pounds	3,314,942	3,495,904	4,210,243
Cotton goods mixed with silk or wool	,,	707,712	2,313,342	4,716,136
Grand Total	pounds	416,782,627	487,198,067	509,291,018
	yards	1,774,383,785	2,067,260,103	2,140,752,310
	dozens	1,185,568	1,263,064	1,341,444

No. 7.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured.

INDIAN STATES (*a*)

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	2,168,124	2,279,352	3,022,428
	yards	5,725,388	5,927,179	8,092,267
Dhutis	pounds	6,650,546	9,372,057	9,599,552
	yards	27,660,810	39,702,024	41,127,855
Drills and jeans	pounds	3,974,247	3,150,512	3,653,941
	yards	17,834,285	13,234,936	16,191,754
Cambrics and lawns	pounds	21,667	50,311	152,226
	yards	93,172	323,133	883,067
Printers	pounds	1,978,974	1,564,391	1,477,224
	yards	8,597,796	7,030,749	7,100,947
Shirtings and longcloth	pounds	13,164,209	13,328,999	15,950,328
	yards	54,124,862	53,939,061	64,520,939
T-cloth, domestics and sheetings	pounds	1,418,062	2,614,295	2,713,581
	yards	4,687,343	8,786,380	8,869,575
Tent-cloth	pounds	596,770	204,314	290,725
	yards	1,222,736	520,798	865,776
Khadi, Dungri or Khaddar	pounds	8,138,660	7,536,003	8,889,152
	yards	22,920,957	20,414,346	24,625,007
Other sorts	pounds	2,871,517	2,704,823	1,641,486
	yards	10,226,124	9,705,822	5,814,074
Total	pounds	40,982,776	42,805,057	47,390,643
	yards	153,093,473	159,584,428	178,091,261
Coloured piece-goods	pounds	6,574,195	7,677,242	9,202,764
	yards	26,985,392	31,871,534	37,716,234
Grey and coloured goods other than piece-goods.	pounds	21,701	58,456	13,091
	dozens	1,407	10,976	3,397
Hosiery	pounds	221,201	236,875	209,860
	dozens	85,375	84,427	84,481
Miscellaneous	pounds	457,187	793,238	1,618,620
Cotton goods mixed with silk or wool	,,	....	418	77,866
Grand Total	pounds	48,257,060	51,571,286	58,512,844
	yards	180,078,865	191,455,962	215,807,495
	dozens	86,782	95,403	87,878

(*a*) See note at foot of Table No. 2.

No. 8.—DETAILED STATEMENT of the QUANTITY (in pounds and their equivalent in yards) and DESCRIPTION of WOVEN GOODS Manufactured.

GRAND TOTAL INDIA (British India and Indian States)

Description.		12 Months, April to March.		
		1925-26.	1926-27.	1927-28.
Grey and bleached piece-goods—				
Chadars	pounds	22,787,297	24,137,331	25,819,802
	yards	62,075,591	65,555,014	66,824,306
Dhutis	pounds	110,134,379	123,121,505	129,701,309
	yards	516,394,318	585,705,264	615,937,386
Drills and jeans	pounds	18,106,061	20,177,031	22,912,951
	yards	74,150,144	79,703,504	91,197,644
Cambrics and lawns	pounds	580,764	664,147	986,274
	yards	3,168,432	3,385,935	5,479,124
Printers	pounds	6,003,983	4,856,262	4,608,509
	yards	25,871,997	20,899,248	20,245,960
Shirtings and longcloth	pounds	120,019,866	134,771,604	140,831,481
	yards	521,125,944	580,536,490	620,027,624
T-cloth, domestics and sheetings	pounds	17,370,593	23,680,244	24,630,019
	yards	74,073,333	93,314,603	92,163,833
Tent cloth	pounds	3,990,717	3,166,727	2,618,279
	yards	9,004,906	6,732,119	6,064,123
Khadi, Dungri or Khaddar	pounds	30,444,405	35,809,549	41,485,317
	yards	87,406,216	98,670,894	116,118,753
Other sorts	pounds	9,826,305	11,326,965	9,873,922
	yards	41,034,924	42,734,703	40,943,836
Total	pounds	339,265,174	381,711,365	403,467,863
	yards	1,414,305,805	1,577,237,774	1,675,002,583
Coloured piece-goods	pounds	116,695,300	145,320,476	148,297,621
	yards	540,156,845	681,478,291	681,557,222
Grey and coloured goods, other than piece-goods.	pounds	3,726,511	4,151,302	4,205,147
	dozens	955,804	1,006,548	992,107
Hosiery	pounds	872,861	983,308	1,210,366
	dozens	316,546	351,919	437,215
Miscellaneous	pounds	3,772,129	4,289,142	5,828,863
Cotton goods mixed with silk or wool	,,	707,712	2,313,760	4,794,002
Grand Total	pounds	465,039,687	538,769,353	567,803,862
	yards	1,954,462,650	2,258,716,065	2,356,559,805
	dozens	1,272,350	1,358,467	1,429,322

Report for the year 1927.

Section VI.

RULES AND REGULATIONS.

Rules for the Registration of Trade Marks.

Rules for Arbitration on Piece-goods. Standard Contract Form.
Provident Fund Rules, Etc.

RULES AND REGULATIONS.

Revised and adopted down to the Annual General Meeting held on 3rd March, 1927.

1. The Association shall be called the Bombay Millowners' Association. **Name.**

2. The Office of the Association will be situate in Bombay.

3. The objects of the Association are :— **Objects of the Association:**

(*a*) To encourage friendly feeling and unanimity amongst Millowners and users of steam water and/or electric power on all subjects connected with their common good.

(*b*) To secure good relations between members of the Association.

(*c*) To promote and protect the trade, commerce and manufactures of India in general and of the cotton trade in particular.

(*d*) To consider questions connected with the trade, commerce and manufactures of its members.

(*e*) To collect and circulate statistics and to collect, classify and circulate information relating to the trade commerce and manufactures of its members.

(*f*) To take all steps which may be necessary for promoting, supporting or opposing legislative and other measures affecting the trade commerce or manufactures of its members.

(*g*) To make representations to Local, Central and Imperial authorities on any matter connected with the trade, commerce and manufactures of its members.

(*h*) To arbitrate in the settlement of disputes arising out of transactions in piece-goods and yarn between parties willing or agreeing to submit to arbitration in accordance with the arbitration rules of the Association.

(*i*) To advance and promote commercial and technical education connected with the trade and commerce of its members.

(*j*) To undertake special enquiries and initiate or support any action for securing the redress of legitimate grievances connected with the trade or commerce of its members.

(*k*) To take any action which may be conducive to the extension of the trade and commerce of its members or incidental to the attainment of this object.

(*l*) To subscribe, to become a member of and co-operate with any other Association whether incorporated or not whose objects are altogether or in part similar to those of this Association and to procure from or communicate to any such Association such information as may be likely to forward the objects of this Association.

(*m*) To establish or aid in the establishment of funds to benefit employees of the Association or the dependents of such persons and to subscribe donate or guarantee money for charitable or benevolent purposes at the discretion of the Association.

(*n*) And generally to do all that may be necessary in the interests of the realisation of the above objects of the Association directly or indirectly.

Persons eligible for membership.

4. Any individual, firm or Company owning one or more mill or mills or one or more press or presses or one or more ginning or other factory or factories actuated by steam, water, electric and/or other power shall be eligible for membership of the Association.

Definition of the term "member."

5. The expression "Member" in these rules shall ordinarily mean the person, firm or Company, as the case may be, by whom or by which any such mill or mills, press or presses, or factory or factories as last aforesaid is or are actually owned; but shall where the context so requires or permits also mean and include the person or persons for the time being entitled or empowered in accordance with these rules to act and vote on behalf of any member of the Association.

Voting Power of members.

6. At any General Meeting of members of the Association every member shall be entitled to one vote for every complete sum of Rs. 50/- paid by him as annual subscription under Rule 35 hereof.

7. Each individual, who, as an individual, shall be a member of the Association, shall subject as hereinafter mentioned, be entitled either to act and vote on his own behalf or to empower, subject as hereinafter mentioned, any one or more persons, who shall have been duly authorized to sign his name per procuration, to act and vote on his behalf.

8. Every partner in any firm, which shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled to act and vote on behalf of his firm, and the firm may also empower, subject as hereinafter mentioned, any one or more persons, who shall have been duly authorized to sign the name of the firm per procuration, to act and vote on behalf of the firm.

9. Every Director of a Joint Stock Company, which shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled to act and vote on behalf of such Company, and the Agent, Secretary or Manager, as the case may be, of such Company, and every partner in any firm, which shall be Agents, Secretaries or Managers, as the case may be, of such Company, and likewise any one or more persons, who shall have been duly authorized by the Agent, Secretary or Manager, as the case may be, of such Company, or by the firm, which shall be Agents, Secretaries or Managers, as the case may be, of such Company, to sign either the name of such Agent, Secretary or Manager or the name of such firm, per procuration, shall also, subject as hereinafter mentioned, be entitled to act and vote on behalf of such Company.

10. The name of every person entitled or empowered to act and vote on behalf of any member of the Association, whether such person be the member himself or any other person, shall be notified in writing by such member to the Secretary of the Association to be entered by the Secretary of the Association as hereinafter provided in the register hereinafter mentioned, and if more than one person shall be entitled or empowered to act and vote on behalf of any member, such member shall notify in writing to the Secretary of the Association to be entered by the Secretary of the Association as hereinafter provided in the register hereinafter mentioned; the order of precedence in which such persons shall be entitled to act and vote on behalf of such member.

11. When any member shall notify to the Secretary of the Association that any one or more persons, other than the member himself, is entitled or empowered to act and vote on behalf of such member, such member shall, in such notification, state the capacity in which such person or each of such persons is so entitled or empowered to vote, that is to say, either as a member of a firm or as a Director or Agent or Secretary or Manager of a Company or as the holder of a power to sign per procuration or otherwise as the case may be.

12. If the name of any person shall be notified as a person empowered to act and vote on behalf of a member by virtue of being the holder of a power to sign per procuration, the notification shall be accompanied by the document authorizing such person to sign per procuration, in order that the same may be registered by the Secretary, and the Secretary shall, after registering the document, return it to the person who sent it.

13. The Association shall provide a Register, to be called " Register of members and of persons entitled to act and vote for members " (hereinafter in these rules referred to as " the said Register "), and the names of all members of the Association shall be entered in the said Register together with the name of each person entitled or empowered, in accordance with these rules, to act and vote for such members, so soon as the name of such persons and all particulars regarding him and all formalities shall have been duly notified and observed in accordance with these rules, and when the name of more than one person shall have been notified as entitled to act and vote for any one member of the Association, the names of such persons shall be numbered in the order of precedence in which such persons are entitled to act and vote for such member.

14. No person shall be entitled to act or vote on behalf of any member of the Association unless and until his name shall have been entered in the said Register as a person entitled to act and vote for such member.

15. If two or more persons, who shall be entitled to act and vote on behalf of one and the same member of the Association, shall be present at any meeting of the Association, that one, who takes priority in the order of precedence in the said Register, shall alone be entitled to vote at such meeting.

16. If any one person shall, according to these rules, be entitled to act and vote for more than one member of the Association, such person shall be entitled to act and to exercise the right of voting, according to these rules, for each member, on whose behalf he is so entitled to act and vote.

17. Members of the Association shall be elected by ballot in the manner hereinafter mentioned. Mode of electing members.

18. Every candidate for election as a member of the Association must be proposed by one member of the Association and seconded by another, and a letter of proposal signed by the proposer or seconder must be sent to the Managing Committee of the Association (hereinafter called " The Committee ").

19. After the receipt by them of a proposal duly made and seconded according to these rules of a candidate for election as a member of the Association, the Committee shall fix a day for the commencement of the ballot for the election of such candidate.

20. Not less than seven days before the day so fixed as aforesaid for the commencement of the ballot for the election of any candidate, notice in writing shall be given by the Committee to all members of the Association of the name of the candidate and of his proposer and seconder and of the date so fixed as aforesaid for the commencement of the ballot for the election of such candidate.

21. The Committee shall, before the day appointed for the commencement of the ballot for the election of a candidate for membership of the Association, appoint a scrutineer for such election.

22. The Association shall, for the purposes of all elections by ballot, provide a ballot-box with a lock and key and with an aperture sufficiently large to admit of the deposit therein of voting papers.

23. Before the time appointed under these rules for the commencement of the ballot for the election of any candidate for membership of the Association, the Secretary of the Association shall satisfy himself that the ballot-box is empty and shall lock the same, and the same shall not be opened until after the expiration of the full time appointed for such ballot.

24. The Committee shall provide voting papers for the election of a member of the Association in such form as they shall, from time to time, think fit and shall send one of such voting papers to each member of the Assocation, not less than seven days before the

day fixed according to these rules for the commencement of the ballot tor the election of any candidate for membership of the Association.

25. If any person entitled or empowered to vote concerning the election of a candidate for membership of the Association shall desire to exercise his right of voting he shall fill up a voting paper in accordance with the directions contained therein stating whether he votes for or against the election of such candidate and shall sign the paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover.

26. Voting papers may be deposited in the ballot-box in accordance with these rules at any time between the hours of 10-30 a.m. and 4 p.m. on the day appointed for the commencement of the ballot or on any one of the six succeeding days, exclusive of Sundays or Gazetted Holidays.

27. The ballot-box shall, at 4 p.m. on the seventh of the days appointed for the election of any candidate for membership, be opened by the Secretary in the presence of the scrutineer, and the votes shall be counted and scrutinized by the scrutineer, and the scrutineer shall report to the Committee in writing under his hand the result of the election according to his counting and scrutiny.

28. No candidate for election as a member shall be deemed to have been elected unless the number of votes recorded is greater than one-fourth of the total number of the votes which would have been recorded if all members had voted. One adverse vote in every six votes recorded shall exclude. The result of every election shall be recorded in the Minutes of the Proceedings of the Committee.

29. If any candidate for election as a member of the Association shall not be elected, his proposer shall be informed of his non-election by the Secretary.

30. Particulars of the voting for the election of any candidate for election as a member of the Association shall be confidential and shall not be disclosed by the scrutineer or by the Secretary to any one whomsoever.

31. A candidate, who shall have been proposed for election as a member of the Association and shall not have been elected, shall not be again eligible for election as a member of the Association until after the expiration of six months from the date of the election at which he shall not have been elected.

32. If a candidate for election as a member of the Association be elected, his election shall be notified in writing by the Secretary to his proposer and likewise to the candidate himself, and a copy of the last annual report of the Association and also a copy of the Rules of the Association, together with a bill for the entrance fee payable by such member on election and the amount of the annual subscription payable in accordance with these rules shall be sent to him by the Secretary.

Membership subscription.

33. Every member who shall after the date on which these rules shall come into force be elected a member of the Association shall pay on election an entrance fee of Rs. 100.

34. Every member who shall after the date on which these rules shall come into force be elected a member of the Association after the 1st January but before the 1st October in any year shall in addition to the entrance fee pay such proportion of the annual subscription for that year as shall be attributable to the period between the date of election and the 31st December of that year. Every member similarly elected after the 30th September in any year shall pay in addition to the entrance fee one-quarter of the annual subscription for that year.

35. Each member of the Association shall pay the annual subscription to the Association which may from time to time be determined by the Committee. Provided that the resolution of the Committee determining such annual subscription shall be passed by a majority of

not less than two-thirds of the members of the Committee present at a special meeting called for the purpose of determining such subscription.

36. Annual subscriptions shall be payable in advance on the 1st January in each year in respect of the period from the 1st January to the 31st December in that year, and a member shall not be entitled to exercise any of the privileges of membership if his subscription is more than two calendar months in arrear.

37. A member who shall fail to pay his subscription for a period of three calendar months after it has become payable shall, *ipso facto*, cease to be a member of the Association and his name shall forthwith be removed from the said Register. Provided that the Committee may for good cause shown for such non-payment of the subscription as to which the decision of the Committee shall be final and binding upon the member in default, and upon payment of the subscription in arrear revoke the cancellation of membership and order the name of such member to be reinstated in the said Register. Subscriptions in arrear shall be treated as a debt due to and recoverable by the Association.

Form of adherence to be signed by members.

38. Each member shall, on election to the Association, sign a form of adherence to the rules of the Association in the form from time to time approved by the Committee and until such form shall have been signed a member shall not be entitled to exercise any of the privileges of membership.

Mode of resigning from membership.

39. Every member of the Association shall have power to terminate his membership thereof by giving not less than three calendar months' previous notice in writing (expiring at any time) to the Secretary of the Association of his desire to terminate such membership and upon the expiration of any such notice such member shall cease to be a member of the Association and his name shall forthwith be removed from the said Register.

The Committee, its constitution and mode of election.

40. The affairs and funds of the Association shall be managed by a Managing Committee hereinbefore and hereinafter called " The Committee " to be constituted as hereinafter mentioned.

41. The members of the Association shall, in each year between the 1st and the 31st day of January, elect the Committee from amongst the list of persons whose names appear in the said Register as persons entitled to act and vote for members.

42. The Committee shall consist of a Chairman, a Deputy Chairman and not more than eighteen ordinary members, making a maximum of twenty members in all.

43. The Committee, holding office for the time being, shall appoint a day between the 1st and the 31st day of January in each year for the election of the Chairman, the Deputy Chairman and the eighteen ordinary members of the Committee for the ensuing year, and shall cause notice of the day so appointed for such election as aforesaid to be advertised in at least one English and one Vernacular newspaper published in Bombay.

44. The Secretary of the Association shall also give to each member of the Association not less than seven days' notice in writing of the day appointed for the said elections and of the names of all authorised representatives of members who are eligible for election as members of the Committee.

45. The members of the Committee shall be elected by ballot.

46. The Committee shall, before the day appointed for the said election, appoint a scrutineer for each of the said elections.

47. Before the time appointed under these rules for the commencement of the ballot upon the day appointed for the said elections the Secretary of the Association shall satisfy himself that the ballot-box is empty and shall lock the same and the same shall not be opened until 4 p.m. upon that day.

48. The Committee shall provide separate voting papers for—

(*a*) the election of a Chairman of the Committee,

(*b*) the election of a Deputy Chairman of the Committee,

(*c*) the election of eighteen ordinary members of the Committee,

in such form as they shall, from time to time, think fit and shall send to each member of the Association not less than seven days before the day fixed for the said elections, one voting paper in respect of the election of the Chairman, one voting paper in respect of the election of the Deputy Chairman and one voting paper in respect of the election of the ordinary members of the Committee.

49. On the day appointed for the said elections voting shall commence at 10-30 a.m. and terminate at 4 p.m.

50. If any person entitled or empowered to vote concerning the election of the members of the Committee shall desire to exercise his right of voting, he shall, in the case of the election of a Chairman, write on a voting paper relative to the election of a Chairman the name of the person representing a member of the Association whom he desires should be appointed such Chairman and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover and he shall, in the case of the election of a Deputy Chairman, write on a voting paper relative to the election of a Deputy Chairman the name of the person representing a member of the Association whom he desires should be appointed such Deputy Chairman and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover and he shall, in the case of the election of the eighteen ordinary members of the Committee, write on a voting paper relative to the election of the ordinary members of the Committee, the names of the eighteen persons representing members of the Association whom he desires should be appointed as ordinary members of the Committee as aforesaid and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover,

51. Voting papers regarding the elections of a Chairman, Deputy Chairman and the ordinary members of the Committee may be deposited in the ballot-box in accordance with these rules between the hours of 10-30 a.m. and 4 p.m. on the day which shall have been appointed under these rules for such elections.

52. At 4 p.m. on the day appointed for the said elections the ballot-box shall be opened by the Secretary of the Association in the presence of the scrutineer and the votes shall be counted and scrutinised by the scrutineer, who shall report to the Committee in writing under his hand the result of the election according to his counting and scrutiny.

53. Particulars of the voting for the election of the members of the Committee shall be confidential and shall not be disclosed by the scrutineer or by the Secretary to any one whomsoever.

54. Those persons in whose favour the largest number of votes shall have been cast for the respective appointments of Chairman, Deputy Chairman and ordinary members of the Committee shall be deemed to have been appointed Chairman, Deputy Chairman and ordinary members of the Committee respectively.

55. Two representatives of any one member entitled under Rule 6 to ten votes or less shall not be on the Committee at the same time, and if two representatives of any one such member shall be elected to serve on the Committee at the same time, the election of that representative who obtains the lesser number of votes shall be void. In case of an equality of votes, the Chairman of the retiring Committee shall have a casting vote.

56. No member of the Association shall vote for more than one Chairman, one Deputy Chairman and eighteen ordinary members of the Committee.

57. If any person who shall have been elected according to these rules either as Chairman of the Committee or as Deputy Chairman of the Committee shall decline to

accept the appointment there shall be a fresh election by the members of the Association for the appointment of a Chairman or Deputy Chairman as the case may be.

58. If any person who shall have been elected in accordance with these rules as an ordinary member of the Committee shall decline to accept the appointment the person who shall have received the next largest number of votes shall be considered to have been elected, and if there shall be no such person then the vacancy shall be filled by the retiring Committee.

59. If in any ballot for a Chairman or Deputy Chairman of the Committee there shall be an equality of votes for the appointment, there shall be a fresh election by the members of the Association for the appointment of a Chairman or Deputy Chairman as the case may be. If in any ballot for the election of the eighteen ordinary members of the Committee there shall be an equality of votes for the eighteenth appointment, the Chairman of the retiring Committee shall have a casting vote.

60. The new Committee shall take office upon the conclusion of the first Annual General Meeting of the members of the Association held after their election, and shall continue to hold office until the conclusion of the next Annual General Meeting of the members of the Association, when they shall retire but shall be eligible for re-election.

61. If any member of the Committee shall be absent from the regular meetings of the Committee for more than three consecutive months he shall, unless he shall have previously obtained leave of absence from the Committee, be deemed to have vacated his office.

62. When any vacancy other than a vacancy in the office of Chairman or Deputy Chairman shall occur in the Committee, the members of the Committee shall have power to appoint any duly qualified person to fill such vacancy who shall hold office until the conclusion of the next Annual General Meeting of the members of the Association when he shall retire but shall be eligible for re-election. Similarly if any member of the Committee shall have previously obtained leave of absence from the General Meetings of the Committee, the members of the Committee shall have power to appoint any duly qualified person to act as a member of the Committee during the absence of such member.

63. If any vacancy other than a temporary vacancy shall occur in the office of Chairman or Deputy Chairman of the Committee, such vacancy shall be filled by the election according to these rules by the members of the Association of any duly qualified person. A temporary vacancy may be filled by the members of the Committee from their own number.

64. The Chairman of the Committee shall, if present, preside at all meetings of the Committee held during his term of office. In the absence of the Chairman, the Deputy Chairman shall preside, and failing both, the chair shall be taken by one of the members of the Committee who shall be appointed by the other members of the Committee present at such meeting.

The procedure to be adopted by the Committee in conducting business.

65. In case of a tie in voting in Committee the Chairman for the time being shall have a casting vote in addition to his own vote.

66. Five members of the Committee shall constitute a quorum.

67. The Committee shall meet at least once in every month.

68. The Committee shall have power to require from any member an explanation as to any act done or conduct pursued by such member which in the opinion of the Committee shall be in contravention of the rules of the Association or to the detriment or discredit of the Association or shall be injurious to the welfare and interests of the Association. If any such explanation shall be refused or having been given shall be deemed unsatisfactory, the Committee shall cause a Special General Meeting of the Association to be convened to consider the acts and conduct of such member, and the Association shall have power if a

Powers of the Committee.

quorum be present at such Special General Meeting to resolve by a majority of not less than two-thirds of the votes cast at the meeting to declare that such member is expelled from the Association.

69. Whenever a resolution shall have been passed as in the last preceding rule mentioned such resolution shall be final and conclusive and the member thereby declared to be expelled shall thenceforth cease to be a member of the Association and shall not be entitled to claim any refund on account of subscription which may have already been paid.

70. Previous to each Annual General Meeting of the members of the Association, the Committee shall prepare a report of the proceedings of the Association during the year prior to such General Meeting and shall cause the same to be printed and shall send at least one printed copy thereof to each member of the Association not less than seven days prior to the date fixed for the said Annual General Meeting. The Committee may also, if they see fit to do so, send any one or more copies of the said report to any individual or Corporation or Association to whom or to which they may think it desirable in the interests of the Association to send the same.

71. The Committee shall have authority to appoint Solicitors to the Association and the Committee may consult them whenever they deem it expedient to do so.

72. At the first meeting of the Committee held after the holding of the Annual General Meeting of the members of the Association in each year, the Committee shall appoint three or more of their number to form a Sub-Committee for the purpose of deciding questions other than arbitrations, arising under the rules of the Association relating to the registration of trade marks, and the decision of such Sub-Committee on such questions shall have the same effect as if given by the entire Committee. Any vacancy which may from time to time occur in any such Sub-Committee shall be filled by the Committee by the appointment thereto of another member of the Committee.

73. The Committee may from time to time appoint a Sub-Committee to investigate and to report upon any matter whatsoever and may invite any member of the Association not being a member of the Committee to serve on any such Sub-Committee, or may consult any outside authority if for any special reason such a course may seem to them advisable.

74. Sub-Committees other than a Sub-Committee appointed under Rule 72 shall have no executive or substantive power or authority, and the duty of every Sub-Committee shall be to report to the Committee the result of its investigations, deliberations or other proceedings.

Duties of Secretary & Assistant Secretary.

75. A Secretary of the Association shall be appointed and his remuneration shall be fixed by the Committee. The Secretary shall devote himself entirely to the business and affairs of the Association except in cases where he has received the special permission of the Committee. He shall have charge of all correspondence and shall keep an account of the funds of the Association and of funds connected with or in any way controlled by the Association. He shall have the care of the rooms, furniture, library, pictures and of all documents belonging to the Association. He shall give notice as desired by the Chairman or Deputy Chairman of all meetings of the Association, of the Committee, of the Departmental Committees and Sub-Committees of the Association and of all Associations working in connection with the Association. He shall duly notify members of their election, collect all dues from members of the Association or from any Committee or any Association working in connection with the Association. He shall prepare the Annual Report of the Association and the reports of all Committees and of all Associations connected with the Association under the guidance of the Chairman and the Committee and generally shall perform all such duties as are incidental to his office and generally act under the orders of the Chairman or in his absence of the Deputy Chairman and the Committee. In all matters appertaining to the detailed duties of his office as above enumerated he shall follow the policy and instructions laid down by the Chairman or in the absence of the Chairman by the Deputy Chairman.

76. An Assistant Secretary of the Association may be appointed, and if so appointed, his remuneration shall be fixed by the Committee. The Assistant Secretary shall during any temporary absence of the Secretary owing to sickness or any other cause or during the absence of the Secretary on leave perform all or any of the duties of the Secretary as may be assigned to him.

77. Minutes of all proceedings of the Committee shall be made and shall be entered or caused to be entered regularly by the Secretary in a Minute Book to be kept by him. This book shall be open to the inspection of any member of the Association at any reasonable time. **Minutes Book of the Committee.**

78. A general meeting of the members of the Association to be called the Annual General Meeting shall be held in each year at such time as the Committee may appoint. **General Meetings of Members.**

79. The Committee may also at any time call a General Meeting should it seem to them expedient to do so.

80. If any four members of the Association shall by a requisition in writing signed by the said four members respectively addressed to the Committee and containing a statement of their reasons for the requisition request the Committee to call a General Meeting of the members of the Association the Committee shall call such General Meeting to be held within fourteen days after the receipt by the Committee of the said requisition, and if the Committee shall refuse or neglect to call such General Meeting to be held within the time aforesaid, the said four members who shall have signed the said requisition, shall have power themselves to call such General Meeting to be held on such day as they themselves shall appoint.

81. Seven clear days' notice of every Annual General Meeting shall be given by advertisement in at least one English and one vernacular newspaper published in Bombay and seven clear days' notice shall also be given to members of every Special General Meeting, except Urgent General Meetings specially convened by the Chairman or the Committee.

82. No business shall be transacted at any General Meeting unless a quorum according to these rules shall be present at such meeting.

83. At any General Meeting a quorum shall be constituted if the number of votes of the members represented at the meeting shall exceed 25 per cent. of the total number of votes of all the members for the time being of the Association.

84. If on the day originally appointed for holding a General Meeting a quorum according to these rules shall not, within thirty minutes of the time appointed for the commencement of the meeting, be present, the meeting shall be adjourned to such time on such day not being less than 10 days thereafter as the Committee may determine and if a quorum shall not, within fifteen minutes after the time appointed for the commencement of such adjourned meeting, be present, the members then present shall constitute a quorum and may transact the business for which the meeting was convened.

85. Whenever any meeting shall be adjourned under Rule 84 on the ground that a quorum was not present within the prescribed time, seven clear days' notice shall be given by the Committee by advertisement in at least one English and one vernacular newspaper published in Bombay of the day and time to which such meeting shall have been adjourned.

86. The Chairman of the Committee shall, if present, preside at all General Meetings of the members of the Association held during his term of office. In the absence of the Chairman, the Deputy Chairman shall preside, and, failing both of these, the Chair shall be taken by one of the members of the Committee, who shall be appointed by the other members of the Committee, present at such meeting.

87. The voting at any General Meeting shall be in the first instance, by show of hands, but this shall not preclude any member present from demanding a poll. If a poll is demanded the number of votes to which each member shall be entitled shall be calculated in accordance with Rule 6. The result of a poll shall supersede a vote taken by show of

hands. In the case of a tie in voting at any General Meeting the Chairman for the time being of the meeting shall have a casting vote.

88. Minutes of all proceedings at every General Meeting of the members of the Association shall be made and shall be entered or caused to be entered regularly by the Secretary in a Minute Book to be kept by him. This book shall be open to the inspection of any member of the Association at any reasonable time.

89. Every resolution which shall have been duly passed according to these rules at any General Meeting of the members of the Association shall be binding upon all the members of the Association.

Special General Meeting for concerted general action.

90. All proposals or recommendations for concerted general action respecting the mills which the Committee of the Association may consider to be concerned in respect to a strike, lockout, short-time working or organised lessening of production, payment of bonus, increases or reductions in wages, or any other matter whatsoever, shall only be adopted if passed by a majority of not less than 85 per cent. of the votes cast at a Special General Meeting duly called for the purpose of considering such proposals or recommendations.

Expulsion of members for contravening resolutions adopted at the General Meeting.

91. Any member of the Association who shall contravene the terms of any proposal which has been approved and adopted by the members of the Association under Rule 90 hereof shall be liable to be summarily expelled from the Association by a resolution of the Committee declaring that such member is expelled; provided that such resolution shall be passed by a majority of not less than three-fourths of the members of the Committee present at a Special Meeting called for the purpose of considering such contravention.

92. Whenever a resolution shall have been passed as in the last preceding rule mentioned such resolution shall be final and conclusive and the member thereby declared to be expelled shall thenceforth cease to be a member of the Association, and shall not be entitled to claim from the Association any refund on account of subscription which may have already been paid.

93. A firm or Joint Stock Company or other Corporation which shall be expelled under the last preceding rule shall be eligible for re-election after the expiry of six months from the date of expulsion provided not less than three members in addition to the proposer and seconder concur in the proposal for re-election.

Funds and properties of the Association.

94*. The control of the funds of the Association shall be vested in the Committee, who in addition to the powers expressly conferred on them by these rules may exercise all such powers, and do all such acts and things as may be exercised or done by the Association and are not hereby or by law expressly directed or required to be exercised or done by the Association in General Meeting, and in particular may from time to time at their discretion raise or borrow or secure the repayment of any sum or sums of money in all respects as they think fit.

95. If at any time during the year the funds at the disposal of the Committee are insufficient or are likely to be insufficient to defray the estimated expenditure for the remaining portion of the year, then the Committee shall, in such case, call a General Meeting of the members of the Association and lay the accounts of the Association before such meeting.

96. The Committee shall cause proper books of account to be kept of the transactions of the Association and of the assets, credits and liabilities thereof, which books of account shall be kept at the office of the Association or at such place or places, and in the charge of such person or persons as the Committee may from time to time direct.

97. At least seven days previous to each Annual General Meeting of members of the Association the Committee shall send to each member of the Association a duly audited income and expenditure account, and a balance-sheet, containing a summary of the property and liabilities of the Association and made up to the 31st December of the year immediately preceding the meeting, and such account and balance-sheet shall be laid before the members at the Annual General Meeting of the Association in each year.

* Amended at the Annual General Meeting held on 3rd March 1927.

98. The Committee for the time being shall have power to invest and deal with any of the moneys of the Association not immediately required for the purposes thereof in such securities and in such manner as they may think fit and from time to time to vary or realise such investments.

99. The Committee shall have the power to determine the manner in which bills, loans, receipts, acceptances, endorsements, cheques, releases, contracts and documents shall be signed or executed by and on behalf of the Association.

100. There shall be two Trustees of the Association and the first Trustees shall be Mr. H. P. Mody and Mr. Ratansi D. Morarji. Subsequent Trustees shall be appointed by resolution of the Committee. Any person for the time being entitled to act and vote for a member shall be eligible as a Trustee. Any Trustee who shall cease to be entitled to act and vote for a member shall *ipso facto* cease to be a Trustee. Any Trustee may be removed by a majority of three-fourths of the members of the Association present at a meeting duly convened for the purpose of considering such removal.

101. All the funds and properties of the Association shall be vested in the Trustees who shall have the custody of all securities and documents of title relating thereto and shall deal with and dispose of the same and the income thereof in accordance with the written directions from time to time given to them by the Committee for the time being.

Responsibility of the Chairman, Deputy Chairman, Secretary & members of the Committee.

102. Neither the Chairman, Deputy Chairman, nor any ordinary member of the Committee nor the Secretary nor any Trustee shall be answerable for anything other than his own acts or defaults, nor shall he be answerable for any act done by him for the sake of conformity only, nor for any moneys of the Association other than such as shall come into his own hands, nor for any collector or receiver of moneys appointed by the Committee, nor for any misfortune, loss or damage happening to the Association by reason of any deed done or executed by him as a Chairman, Deputy Chairman or ordinary member of the Committee or as Secretary or Trustee, nor by reason of any error in judgment or mere indiscretion on his part in the performance of his duties, nor otherwise on any account, except for wilful negligence or fraud. Every person being Chairman, Deputy Chairman, or an ordinary member of the Committee or Secretary or Trustee of the Association, his heirs, executors or administrators shall at all times be indemnified and saved harmless out of the funds of the Association from and against all costs, losses, damages and expenses whatsoever incurred or sustained by him in the execution of his power or duties, and every person having been or being a Chairman, Deputy Chairman, or ordinary member of Committee or Secretary or Trustee of the Association, his heirs, executors and administrators shall be indemnified and saved harmless out of the funds of the Association against all actions, suits, claims and demands whatsoever brought or made against him or them in respect of any engagement of the Association save such as may be incurred by his own personal wilful neglect or default.

The date when the rules come into force & the mode of altering the rules.

103. These rules shall come into force on the First day of March 1925 on which date the present rules shall stand cancelled. No alterations in these rules shall be made save and except by a majority of not less than three-fourths of the votes cast at a General Meeting of the members of the Association duly convened and held for the purpose of considering such alteration, the terms of which shall have been fully set forth in the notice convening the meeting.

RULES FOR THE REGISTRATION OF TRADE MARKS.

Revised and adopted down to the Annual General Meeting of the Association held on 3rd March 1927.

Interpretation.

1. Throughout all these rules the following words shall bear and include the following meanings :—

(*a*) 'The Association' means the Bombay Millowners' Association.

(*b*) 'Member' means a member of the Bombay Millowners' Association.

(*c*) 'The Secretary' means the Secretary of the Bombay Millowners' Association.

(*d*) 'The Managing Committee' means the Managing Committee of the Bombay Millowners' Association

(*e*) 'Trade mark' includes 'ticket' and 'stamp.'

(*f*) 'Colourable imitation' includes a trade mark, which is likely to become known by or to acquire the same name as that by which another trade mark is already known or which such other trade mark has already acquired.

Essentials of a registrable trade mark.

2. For the purposes of these rules a registrable Trade Mark must consist of a distinctive mark, device or design not being a name, signature or word or words (invented or otherwise) either alone or in combination with one or more of the following :—

(*a*) The name of a Company, individual or firm represented in a special or particular manner.

(*b*) An invented word or invented words.

(*c*) A word or words having no direct reference to the character or quality of the goods and not being according to its ordinary signification a geographical name or surname.

Provided—

(1) that any trade mark registered in the Permanent Register of the Association prior to the 31st March 1924 shall be registrable as a trade mark under this Rule ;

(2) that no trade mark shall be accepted for registration which contains or consists of any scandalous design, or any matter the use of which would by reason of its being calculated to deceive or otherwise be disentitled to protection in a Court of Justice, or would be contrary to law or morality ;

(3) that no trade mark shall be accepted for registration which contains or consists of a representation of the Royal Arms (or Arms so closely resembling the Royal Arms as to be calculated to deceive), or of a photograph or photographs of any member or members of the Royal Family.

Classification of goods.

3. All goods to which these rules apply shall be divided into the following classes :—

Class 1.—Cotton yarns and threads being either grey or bleached.

Class 2.—Cotton yarns and threads being coloured either in whole or in part.

Class 3.—Cotton piece-goods of all kinds.

Registers.

4. The Association shall keep two registers, one of which shall be called 'The Permanent Register' and the other 'The Suspense Register.'

Duty of members to register trade marks and mode of applying to register same.

5. Every member shall send to the Secretary an application in writing addressed to the Secretary and signed by the member or by some person duly authorized to sign the same on behalf of the member, to register with the Association every trade mark, not already registered by such member with the Association, which is or is to be the property of such member and which such member desires to apply to any produce of the mill or mills, factory or factories owned by such member.

6. Every such application shall specify the name by which the trade mark to which the application relates is intended to be known and the class or classes of goods to which the trade mark is intended to be applied and shall be accompanied by one copy of the trade mark for the use of the Association and also by such further number of copies thereof as the Managing Committee may from time to time prescribe in that behalf, regard being had to the total number of members.

7. Every member shall send to the Secretary such number of copies of every trade mark which is the property of a dealer dealing with such member, and which such member intends to apply to any produce of the mill or mills, factory or factories, owned by such member as the Managing Committee may from time to time prescribe in that behalf, regard being had to the total number of members, accompanied by a statement in writing specifying the name by which any such trade mark is intended to be known, and the class or classes of goods to which the trade mark is intended to be applied. The Secretary shall so soon as may be after the receipt thereof send to every member a copy of such trade mark together with a copy of such statement.

Secretary to enter every trade mark which a member shall apply to register in the Suspense Register.

8. The Secretary shall forthwith on receipt of an application for registration of a trade mark with the Association made in conformity with these rules enter the said trade mark in the 'Suspense Register' for use on goods of the class or classes specified in the application.

Notice of every application to register a trade mark to be sent to every member.

9. The Secretary shall so soon as may be after any application shall have been made for the registration of any trade mark with the Association, send to every member a copy of such application with an intimation of the date when it was made and that such trade mark has been entered in the Suspense Register and shall also send with such intimation one copy of such trade mark, and also if the application shall have been accompanied by a notification in conformity with Rule 21 that the member, who shall have made the application, is not willing to refer to arbitration any matter relating to the application, one copy of such notification and shall after the expiration of three weeks from the date of the despatch of such intimation send a reminder to each member who shall not in the interval have acknowledged the receipt of such intimation or otherwise intimated that such intimation has been received by such member.

Effect of entry of trade mark in Suspense Register.

10. The entry of a trade mark in the Suspense Register shall not confer upon the member upon whose application the same shall have been so entered any right against any other member in respect of the trade mark so entered save and except a right to apply for the removal of any other trade mark from the Suspense Register as in Rule 11 hereinafter set forth.

Applications for removal of trade mark from the Suspense Register.

11. Any member may apply that any trade mark which has been entered in the Suspense Register may be removed therefrom on the ground that it is an imitation colourable or otherwise of another trade mark which at the time of the entry of the trade mark objected to was then already in the Suspense Register and had been entered therein on application of the member applying for such removal and was intended to be applied to the same class or classes of goods as the class or classes to which the trade mark objected to is intended to be applied.

12. Every application for removal of a trade mark from the Suspense Register shall be made in writing addressed to the Secretary and signed by the applicant or by some person duly authorized to sign on behalf of the applicant and shall set forth the ground on which the same is made.

13. Every application for removal of a trade mark from the Suspense Register shall be determined, in the manner hereinafter prescribed ; and if, when the same shall have been so determined, the application shall be upheld, the trade mark for the removal of which the application shall have been made, shall forthwith be removed from the Suspense Register.

Objections to entry of a trade mark in the Permanent Register.

14. Any member may object to any trade mark being entered in the Permanent Register on the ground that such trade mark is an imitation colourable or otherwise of a trade mark which has already, on the application of such objecting member, been entered in the Permanent Register for use on goods of a class or classes similar to the class or classes of goods to which the trade mark, in respect of which an application has been made, is intended to be applied, and that such trade mark, so already entered, is habitually applied by such objecting member to such class or classes of goods.

15. Every such objection shall be made within one month after the application to register the trade mark objected to shall have been made and shall be in writing addressed to the Secretary and signed by the objecting member or by some person duly authorized to sign on behalf of the objecting member and shall set forth the grounds of objection.

16. Any member may within three calendar months from the date of his becoming a member for the first time apply that any trade mark which shall have been registered in the Permanent Register, at any time before the expiration of the said period of three months, shall be removed therefrom on the ground—

That the trade mark so already registered in the Permanent Register is an imitation colourable or otherwise of a trade mark for the registration of which such member has applied for use on goods of a class or classes similar to the class or classes of goods to which the trade mark so already registered in the Permanent Register is applied, and that such trade mark for the registration of which such newly joined member has so applied as aforesaid has been habitually applied by such newly joined member to the said class or classes of goods.

27. When any member being the owner of a mill shall have ceased to be a member for any reason, other than expulsion, and shall subsequently again become a member by virtue of the ownership of the same mill, or, when any mill, being the property of a member, shall have passed to a new owner and such new owner shall become a member by virtue of the ownership of the said mill, such member, who shall have again become a member, may at any time, within one month from the date of his having so again become a member or such new owner, who shall have become a member, may at any time within one month from the date of his becoming a member apply—

(*a*) That a trade mark which shall have been entered in the Permanent Register subsequent to the date on which such member shall have ceased as aforesaid to be a member but prior to the date of the application under this Rule or subsequent to the date when such mill as aforesaid passed to such new owner as aforesaid but prior to the date of the application under this Rule, as the case may be, shall be removed from the Permanent Register ;

or

(*b*) That if any trade mark shall have been or shall be entered in the Permanent Register in compliance with an application for the registration of the same which has been made subsequent to the date on which such member shall have ceased as aforesaid to be a member but prior to the date of the application under this Rule, or subsequent to the date when such mill as aforesaid passed to such new owner as aforesaid but prior to the date of the application under this Rule, as the case may be, the said trade mark shall be removed from the Permanent Register, on the ground either in the case (*a*) or in the case (*b*)—

That the said trade mark is an imitation colourable or otherwise of a trade mark previously registered with the Association by the member who shall have so ceased to be a member as aforesaid or by the member who was for the time being the owner of the mill which has so passed to a new owner as aforesaid for use on goods of a class or classes similar to the class or classes of goods for use on which the trade mark so objected to shall have been registered and that a fresh application for the registration of the mark so previously registered as aforesaid has been made by the applicant.

18. Every application for removal of a trade mark from the Permanent Register shall be made in writing addressed to the Secretary and signed by the applicant or by some person duly authorized to sign on behalf of the applicant and shall set forth the grounds on which the same is made.

19. Every application under Rules 16 and 17 for removal of a trade mark from the Permanent Register shall be accompanied by twelve or such other number of copies as the Managing Committee may from time to time prescribe of the trade mark said by the applicant to have been previously registered with the Association.

20. If any member, being the owner of a trade mark which shall have been registered in the Permanent Register shall so alter the trade mark as in the opinion of a majority of the Trade Marks Sub-Committee to render it likely to deceive, or materially different, either in name or design, from the registered trade mark, and shall use the mark so altered on goods of a class or classes similar to the class or classes of goods for use on which registration of the original mark was obtained, the member concerned may be required to apply in the manner prescribed for registration of the altered trade mark as a new trade mark and in default of compliance with any such requisition within one month after receipt thereof by the member concerned, the altered trade mark shall be deemed an unregistered trade mark.

Liberty to refuse to refer to arbitration in certain cases

21. Notwithstanding anything contained in these rules or in the Form of Adherence prescribed under Rule 36 of the Rules and Regulations of the Association any member who shall have become a member for the first time may send a notification in writing addressed to the Secretary with any application, made by such member, to register a trade mark, which shall be sent to the Secretary within one month from the date when such member shall become a member notifying that he is not willing to refer to arbitration any matter relating to the application with which the notification is sent; and whenever any such notification is sent as aforesaid no member shall in the matter to which the notification relates be bound by the rules relating to arbitration.

22. In like manner, notwithstanding anything contained in these rules or in the Form of Adherence in Rule 36 mentioned, if any member who shall have received notice of any application to register a trade mark, which shall have been sent to the Secretary, by a member who shall have become a member for the first time, within one month from the date when such member shall have become a member shall object, in the manner prescribed by these rules, to the said trade mark being entered in the Permanent Register on the ground specified in Rule 14, such objecting member may send with such objection, a notification in writing addressed to the Secretary notifying that he is not willing to refer to arbitration any matter relating to such objection to the application of which he shall have so received notice as aforesaid and specifying such application and objection; and whenever any such notification is sent no member shall in the matter to which such notification relates be bound by the rules relating to arbitration.

Provided always that if a member who shall have become a member for the first time shall prove to the satisfaction of the Managing Committee that for a period of not less than five consecutive years immediately preceding the date when such member shall have become a member he has habitually applied the said trade mark to goods of a class or classes similar to the class or classes of goods to which such objecting member shall have habitually applied the trade mark of which the said trade mark is alleged by such objecting member to be an imitation colourable or otherwise, then such objecting member shall be deemed to have sent to the Secretary such a notification in writing as above mentioned, and the provisions of Rules 37 to 43 (inclusive) so far as the same are applicable shall forthwith operate and have effect.

Determination of questions relating to any application to register a trade mark or to any application to remove a trade mark from the Suspense Register or from the Permanent Register, as to which notice of refusal to refer to arbitration has not been given.

23. All questions in dispute between two members arising out of or incidental to any

(*a*) application to register a trade mark,

(*b*) application to remove a trade mark from the Suspense Register,

(*c*) application to remove a trade mark from the Permanent Register,

shall, if no such notice, as is permitted by these rules, of unwillingness to refer to arbitration shall have been given in connection with the same, be determined by arbitration in the manner prescribed by the following rules :—

24. Either member may give the other member notice of the appointment of an arbitrator on behalf of the member giving such notice and may call upon such other member to appoint and to notify to the member who shall give the notice of the appointment of an arbitrator within seven days from the date of the giving of the notice; and on receipt of such notice such other member must, if he should desire to appoint an arbitrator, appoint him within seven days from the receipt of such notice and notify such appointment within the same time to the member from whom he shall have received the notice to appoint an arbitrator.

25. If the member to whom such notice as in Rule 24 mentioned shall have been given fail to appoint and to notify to the member who shall have given the notice of the appointment of an arbitrator within seven days from the service of the notice upon him the matter in dispute shall stand referred to the arbitrator already appointed as sole arbitrator.

26. If a matter in dispute shall stand referred to an arbitrator as sole arbitrator he shall make his award within fourteen days from the date when the matter in dispute shall first stand referred to him.

27. If two arbitrators shall be duly appointed in accordance with these rules, they shall within 3 days from the date when such one of them as was last appointed shall have been appointed and before proceeding with the reference appoint an umpire.

28. If two arbitrators and an umpire shall have been duly appointed, the two arbitrators shall, if they can agree upon their award, make their award within fourteen days after the appointment of the umpire.

29. If two arbitrators and an umpire shall have been duly appointed but the two arbitrators shall either fail to agree upon their award or fail to make it within fourteen days from the appointment of the umpire, the matter in dispute shall stand referred to the umpire.

30. When a matter in dispute shall stand referred to an umpire he shall make his award within fourteen days from the date when the matter in dispute shall stand referred to him.

31. If

(*a*) a matter in dispute shall stand referred to a sole arbitrator but such arbitrator shall fail, from any cause whatever, to make his award within fourteen days from the date when the matter in dispute shall first stand referred to him ;
or

(*b*) two arbitrators shall have been duly appointed but shall fail, from any cause whatever, to appoint an umpire within three days from the date of the appointment of such one of the arbitrators as shall have been last appointed ;
or

(*c*) a matter in dispute shall stand referred to an umpire but such umpire shall fail, from any cause whatever, to make his award within fourteen days from the date when the matter in dispute shall first stand referred to him ;

the matter in dispute shall in any of such cases stand referred to a referee who shall be appointed by the Managing Committee.

32. When a matter in dispute shall stand referred to a referee he shall make his award within fourteen days from the date when the matter in dispute shall first stand referred to him and it shall be deemed to stand referred to him so soon as he shall have been informed of his appointment by the Managing Committee.

33. The sole arbitrator, two arbitrators, umpire or referee, as the case may be, shall, when he or they make an award, reduce it into writing, sign it and forward it to the Managing Committee who shall file it in a separate file, in which such awards shall alone be filed.

34. Every award, whether made by a sole arbitrator, two arbitrators, an umpire or a referee, which shall be duly made under the authority of and in conformity with these rules, shall be conclusive and binding upon the parties to the arbitration in which the award was made and the Association shall give effect to it.

(*a*) No person shall be appointed an arbitrator, umpire or referee, under the foregoing rules, who shall not be either a member of the Association or a person entitled to act and vote on behalf of a member of the Association, and any appointment made in contravention of this rule shall be null and void.

Fees on arbitrations.

35. The following fees on arbitrations shall be chargeable by the Association to members :—

(*a*) In cases where there is a sole arbitrator, Rs. 15, which shall be paid by the member who has failed to appoint an arbitrator within the time prescribed by these rules.

(*b*) In cases where each party has appointed one arbitrator, the sum of Rs. 30, whereof each member, a party to the arbitration, shall pay Rs. 15.

(*c*) In cases where an umpire is appointed, Rs. 15, whereof each member, a party to the arbitration, shall pay Rs. 7-8-0.

(*d*) In cases where a referee is appointed, Rs. 15, whereof each member, a party to the arbitration, shall pay Rs. 7-8-0.

The sole arbitrator, two arbitrators, umpire or referee, as the case may be, shall have power to direct by any award made by him or them under these rules that any fee paid by any member, a party to the arbitration in which such award shall have been made, shall be refunded to him by the other member, a party to the said arbitration.

36. The Association shall, whether the fees payable under these rules in connection with any arbitration shall have been duly paid to it or not, pay to each arbitrator, umpire and referee who shall have acted in such arbitration a fee of Rs. 15.

Procedure when any application made to register a trade mark, or any objection made to register a trade mark as to which notice of refusal to refer to arbitration has been given.

37. If, in any case permitted by these rules, any member shall, in the manner prescribed by these rules, make

(*a*) any application to register a trade mark,

or

(*b*) any objection to a trade mark being entered in the Permanent Register,

accompanied by a notification that the member is not willing to refer to arbitration any matter relating to the application or objection, as the case may be, with which the notification is sent, no steps shall be taken by the Association in the matter of the application or objection specified in such notification for a period of two months from the receipt by the Secretary of such notification.

38. Any member, who shall have made any such application or objection as in Rule 37 mentioned, accompanied by such a notification as in the said Rule 37 mentioned, may, at any time during the said period of two months in the said Rule 37 mentioned, institute legal proceedings either to establish the right of such member to the trade mark to which such application or objection relates or to restrain any other member from using such trade mark or to procure the punishment of such member for using the same and such proceedings may be taken either in a Civil or a Criminal Court.

39. If, in any case permitted by these rules, any member shall, in the manner prescribed by these rules, have made any such application as in Rule 37 mentioned, accompanied by such a notification as in the said Rule 37 mentioned, and at the expiration of the said period of two months in the said Rule 37 mentioned, no such legal proceedings as in Rule 38 mentioned shall have been instituted in connection with the trade mark to which the application relates, the said application shall be rejected and the said trade mark be removed from the Suspense Register and shall not be entered in the Permanent Register.

40. If, in any case permitted by these rules, any member shall, in the manner prescribed by these rules, have made any such objection as in Rule 37 mentioned, accompanied by such a notification as in the said Rule 37 mentioned, and at the expiration of the said period of two months in the said Rule 37 mentioned, no such legal proceedings as in Rule 38 mentioned shall have been instituted in connection with the trade mark to which the objection relates, the said objection shall be rejected, and the application to register the trade mark, to which such objection relates, shall be dealt with under these rules, as if no such notification had been given.

41. If, within the said period of two months in Rule 37 mentioned, such legal proceedings as in Rule 38 mentioned shall have been instituted, no steps shall be taken in the matter of the application or objection concerning the trade mark to which such legal proceedings relate until such legal proceedings shall have been finally determined.

42. When such legal proceedings as in Rule 38 mentioned shall have been finally determined, if it shall have been held by the Court :—

(*a*) That a trade mark, to register which an application shall have been made, or in respect of which an objection to the same being entered in the Permanent Register shall have been made, is an imitation colourable or otherwise of another trade mark, the trade mark so held to be an imitation colourable or otherwise shall not be registered ;

or, if it shall have been held by the Court—

(*b*) That a trade mark, to register which an application shall have been made, or in respect of which an objection to the sme being entered in the Permanent Register shall have been made, is not an imitation colourable or otherwise of another trade mark, the same shall, if it be in the opinion of the Managing Committee a proper mark to be registered as a trade mark, be entered therein.

43. The production to the Managing Committee of a certified copy of a decree passed by a Civil Court of competent jurisdiction in British India from which no appeal lies or in respect of which the time for appealing has expired or the production of a certified copy of a judgment of a Criminal Court from which no appeal lies, or in respect of which the time for appealing has expired, shall be conclusive evidence of everything therein appearing to have been held, decided or found, and the Managing Committee shall act in accordance therewith.

All trade marks registered with the Association on or before the First day of April 1912 to be entered in the Permanent Register.

44. All trade marks which shall have been registered with the Association on or before the First day of April 1912 either under the Rules for Primary Registration or under the Rules for Secondary Registration, which were in force prior and down to the said First day of April 1912, shall be entered in the Permanent Register and shall be deemed respectively to have been entered therein as of the respective dates on which the same were originally registered with the Association.

Effect of entry of trade mark in Permanent Register.

45. Registration of a trade mark in the Permanent Register under these rules for use on goods of the class or classes specified in the entry in such register shall, *prima facie*, be held to secure to the said member an exclusive right as against all other members to the use of the said trade mark on goods of the class or classes so specified.

46. These rules shall come into force on the First day of April 1924 on which date they shall supersede all other rules relating to the Registration of Trade Marks.

BOMBAY MILLOWNERS' ASSOCIATION.

RULES FOR ARBITRATIONS ON PIECE-GOODS.

WHEREAS it has been represented to the Bombay Millowners' Association, hereinafter called the Association, that it is desirable that disputes and differences between members and merchants should be more speedily and economically settled, and whereas it is considered desirable that judgments should be framed by competent practical authorities on Indian piece-goods, the following Arbitration Rules have been framed as a means to these ends:—

Panel of Arbitrators.

Rule 1.—There shall be appointed triennially by the Committee of the Association a panel of Arbitrators consisting of thirty members. Fifteen Arbitrators shall be selected from amongst the representatives of members of the Association, and the remaining fifteen Arbitrators shall be selected by the Committee of the Association from amongst the dealers in Indian-made piece-goods.

Panel of Umpires.

Rule 2.—From amongst the panel of Arbitrators elected in accordance with Rule 1, the Committee of the Association shall elect triennially six persons, who shall be eligible to act as Umpires in any disputes submitted to the Association for arbitration.

Secretary.

The Secretary or Acting Secretary for the time being of the Association shall be, and is hereby appointed to act as Secretary in all arbitrations conducted by the Association in accordance with these rules.

He shall also keep a record in the form, from time to time prescribed by the Committee of the Association, of all arbitrations conducted by the Association, receive all fees in connection therewith and keep the necessary books of account, and shall diligently perform all other duties prescribed by, or necessary under these rules.

Appointment of Arbitrators.

Rule 3.—In all cases in which any dispute has arisen in relation to a piece-goods contract which provides for a decision thereon by the Association, or in relation to any piece-goods contract in respect of which the parties thereto have subsequently agreed in writing to submit to such a decision, each party to the dispute shall appoint an Arbitrator to act on his behalf. The Arbitrators so appointed shall in all cases be chosen from the panel of Arbitrators elected in accordance with Rule 1.

Rule 4.—The appointment of Arbitrators in accordance with Rule 3 shall be made in writing addressed to the Secretary upon Form I prescribed by the Association, and shall be signed by both parties to the dispute or persons duly authorised to sign on their behalf.

Appointment of Arbitrator by one party.

Rule 5.—Where a dispute has arisen or differences exist with reference to a contract which provides for arbitration in accordance with these rules, then, notwithstanding anything in Rules 3 and 4, either party to the dispute may, by notification to the Secretary on Form II, appoint an Arbitrator to act on his behalf, such Arbitrator to be chosen from the panel of Arbitrators elected in accordance with Rule 1.

Notification to other party.

Rule 6.—Upon receipt of a notification of the appointment of an Arbitrator by one party in accordance with Rule 5, the Secretary shall give written notice to the other party to the dispute of the appointment of an Arbitrator by the first party and shall call on the second party to appoint an Arbitrator.

Reference to sole Arbitrator, if second Arbitrator is not appointed after 15 days.

Rule 7.—Upon receipt of a written notice in accordance with Rule 6, the notified party shall within fifteen days appoint an Arbitrator, selected from the panel of Arbitrators, to act on his behalf. The appointment of an Arbitrator under this rule shall be made upon Form III and sent to the Secretary of the Association.

If, after due notice as aforesaid, the party fails to appoint an Arbitrator to act on his behalf, the dispute shall stand referred to the Arbitrator appointed by the other party under Rule 5 as sole Arbitrator, and any award which he may make shall be final and binding upon both parties.

Rule 8.—Before proceeding to adjudicate in any dispute in which two Arbitrators have been appointed in accordance with the preceding rules, the Arbitrators shall select an Umpire and communicate the name of the Umpire so selected to the Secretary of the Association. The Umpire so chosen shall be selected from the panel of Umpires appointed in accordance with Rule 2 and his name shall not be communicated to the Secretary unless he has consented to act.

Rule 9.—If the Arbitrators are unable to agree as to their Umpire, they shall notify the Association of their disagreement and shall request the Committee of the Association to appoint an Umpire from the panel of Umpires. Upon receipt of a notification that an Umpire has been appointed and has consented to act, the Arbitrators shall thereupon proceed with the hearing of the reference.

Rule 10.—If for any reason the Arbitrators fail to agree they shall within one month of entering upon the reference or within such extended time as is permitted by Rule 17 or Rule 18, refer the dispute for adjudication by the Umpire.

Rule 11.—No Umpire shall be appointed to adjudicate in any dispute to which he or his employers are a party.

Arbitrators to be disinterested.

Rule 12.—In selecting Arbitrators the parties to the dispute shall ensure that no person is selected or shall adjudicate in any dispute in which he or his employers are interested, and that not more than one person from the same firm shall be appointed as an Arbitrator.

Death of an Arbitrator or Umpire.

Rule 13.—If an Arbitrator or Umpire dies or for any reason becomes incapable of acting, a new Arbitrator or Umpire shall forthwith be appointed.

Submission.

Rule 14.—The Arbitrators shall appoint a time and place for hearing of the reference and within seven days of the notice in that behalf the parties to the dispute shall prepare and submit written statements of their respective cases.

Submission by one party.

Rule 15.—If after a notice in accordance with Rule 14 a party to a dispute fails to submit a statement, the Arbitrators may without further notice proceed with the adjudication of the dispute at the time and on the date fixed for the hearing on the basis of the statement submitted by the other party.

Submission available for inspection by other party.

Rule 16.—If separate statements are put forward by each party, the Arbitrators may at their discretion cause a copy of each statement, with or without accompanying enclosures or extracts therefrom, to be submitted to the opposing party for information and remark if desired.

Rule 17.—The Arbitrators may, at their discretion, extend the time for the submission of a written statement but shall not be bound to receive or consider any written statement of either party, tendered after the expiration of the original or the extended time as the case may be.

Power to call for extra or verbal evidence.

Rule 18.—The Arbitrators or the Umpire shall have general authority to require from either or both of the parties to the dispute such further verbal or written statements, explanations, and other information, evidence and materials as they or he may consider necessary for the adjudication of the dispute and may, in such instances, by endorsement on the reference paper, extend the time for making an award by a period not exceeding one English calendar month.

Hearing in absence of one party.

Rule 19.—The Arbitrators or the Umpire may proceed with the reference in the absence of any party who shall after due notice refuse or neglect to attend without having satisfied the Arbitrators or the Umpire, as the case may be, that good and sufficient reason exists for such neglect or refusal.

Sample for Inspection.

Rule 20.—At the time appointed for the reference the parties shall have ready at the rooms of the Association or elsewhere as directed the sale samples duly attested, and if required sample packages or complete bales. Samples, packages or bales so sent will be at the sender's risk and must be accompanied by a peon in charge and by a cooper to open the packages.

Advice of Counsel

Rule 21.—The Arbitrators or the Umpire, as the case may be, may, with the consent of both parties, before making a final award, and at the expense of the parties to the dispute, consult and adopt the advice of

solicitors or counsel on any question of law, evidence, practice or procedure arising in the course of the reference. In such instances the time for making an award may be extended by a period not exceeding one English calendar month.

Award to be made in certain time.

Rule 22.—When a dispute stands referred to two Arbitrators they shall make their award in writing in Form V, within one month of first entering upon the reference, or within the extended period allowed by them under Rule 17 or Rule 18.

Award of sole Arbitrator.

Rule 23.—When a dispute stands referred to a sole Arbitrator he shall make his award in writing on Form VI, within one month of first entering upon the reference, or within the extended period allowed by him under Rule 17 and Rule 18.

Umpire's award.

Rule 24.—When a dispute stands referred to an Umpire he shall make his award in writing on Form VII within fourteen days of entering upon the reference or within the extended time allowed under Rule 17 or Rule 18.

Award to bear appropriate stamps.

Rule 25.—The award in Forms V, VI or VII bearing stamps to the value laid down under the provisions of the Stamp Duties Act for the time being in force, shall be lodged with the Secretary and shall state clearly the liability of each party in respect of the fees, charges and expenses in connection with the arbitration.

Copies of award to disputants.

Rule 26.—When completed a signed copy of the award shall be sent by the Secretary to each of the parties to the dispute, for compliance with the terms thereof.

Extent of award.

Rule 27.—The Arbitrators or the Umpire may by their or his award determine what they or he shall think fit to be done by either of the parties concerned, respecting the matters referred.

Award binding on all parties.

Rule 28.—The parties shall in all things abide by and obey the award which shall be binding on the parties and on their respective representatives notwithstanding death or legal disability occurring to any party before or after the making of the award, and so that death or legal disability shall not operate as revocation of the submission.

Setting aside award.

Rule 29.—No objection shall be taken or be entertained to any application to file an award except and unless such objection is made upon the grounds laid down in Section 14 of the Indian Arbitration Act, 1899.

Further award.

Rule 30.—Whenever an award directs that a certain act or thing shall be done by one party to the reference and such party fails to comply with the award, the party in whose favour the award was made may make an application for a further award determining the amount of damages or compensation payable by reason of such failure, and the Committee of the Association on receipt of such application shall proceed to appoint

Arbitrators or an Umpire who may or may not be the same persons or person who made the first award. The arbitration on the said application shall then proceed in accordance with these rules and the award thereon may be filed separately or together with the original award.

Immunity of Arbitrators.

Rule 31.—Neither party to a dispute which has been submitted to arbitration as provided in these rules shall bring or prosecute any suit or proceedings whatsoever against the Arbitrators, or the Umpire, or the Secretary for the time being of the Association, for or in respect of any suit or proceedings save for the enforcement of the award against the other party.

Application o Indian arbitration laws.

Rule 32.—The provisions of the Indian laws relating to arbitration in so far as they are not inconsistent with these rules, shall apply in the conduct of all arbitrations conducted by the Association.

Fees.

Rule 33.—In respect of any arbitration conducted in accordance with these rules fees shall be paid in accordance with the following Schedule :—

SCHEDULE.

Rs. 15 for each Arbitrator.
Rs. 30 for any Umpire appointed in accordance with these rules.
Rs. 10 as fees due to the Association for clerical duties in connection with the arbitration and filing of the award.

Recovery of fees.

Rule 34.—A bill showing the amount due in respect of fees, stamp duties, etc., due to the Arbitrators, the Umpire, and the Association, by each party to the dispute shall accompany any copy of the award sent in accordance with Rule 26, and shall be paid within seven days of the receipt thereof.

Rule 35.—In addition to the fees mentioned in Rule 33 the parties to the dispute shall pay as and when demanded by the Secretary, and as set out in the award, all other fees or charges incurred during the arbitration in accordance with Rule 20.

Notices.

Rule 36.—All notices required by these rules to be given shall be in writing and shall be sufficiently given if left at the last known place of abode or business of the party to whom the notice is addressed, or if sent by post prepaid addressed to him by name at such place of abode or business, and not returned through the post as undelivered before the completion of the award in Forms V, VI or VII, and shall if sent by post be considered to have been given at the time at which the letter would in the ordinary course be delivered.

NOTE :—All the Forms mentioned in these rules may be had on application from the Secretary of the Bombay Millowners' Association.

STANDARD CONTRACT FORM.

No._____ *Bombay,*_____ 192 .

We, the undersigned (hereinafter called "the Buyers"), hereby agree to purchase from_____(hereinafter called "the Company"), the undermentioned goods upon the *following terms and conditions, that is to say :—

Quality No.	Description.	Dimensions.			No. of Bales.	Pieces in each Bale.	Total pieces.	Total lbs.	Rate nett at Mills.			Per	Quality as.	Finish as.	Fold.	Border.	Headings.	Designs.	Assortment of designs in each Bale.	Ticket or Stamps.
		In.	yds.	lbs.					Rs.	a.	p.									

* Please see next page.

THE TERMS AND CONDITIONS OF THE STANDARD CONTRACT FORM.

1. The quality of the goods shall accord with the recognised standard quality cloth manufactured by the Company.

1-*a*. The quality of the goods shall accord with the sample submitted to and approved by the Buyers.

2. The Company does not guarantee, except where a particular assortment is specially stipulated, any fixed assortment in the deliveries of goods of various dimensions and patterns and bearing different numbers, and in such cases the Buyers shall take delivery of and pay as herein agreed for all bales (not exceeding the contract quantity) from time to time ready for delivery regardless of the assortment.

3. The Buyers agree to accept at the price herein fixed an assortment of bales to the extent of 10 per cent. more or less than the contract quantity, but as regards such limit the Buyers shall not be obliged to take up more than 5 bales more or less of each sort, including any loose pieces of each sort.

4. In the case of goods sold at a fixed rate per pound the Buyers shall not raise any objection or claim compensation for short weight so long as the average weight per bale in each lot delivered does not vary from the invoice weight by more than 7 lbs. per bale. The Company does not guarantee the weight of any goods sold by the piece.

5. The Buyers shall not be entitled to any allowance or compensation for any deficiency in the width of Dyed, Bleached and/or Calendered goods when such deficiency does not exceed one inch.

6. In the case of a sale of ready goods, payment therefor shall be made and delivery thereof taken by the Buyers within eight days of sale.

7. In the case of a sale of goods for future delivery, the Buyers shall on the last day of each English Calendar month take delivery and pay for in cash against delivery of as many bales as shall have been made ready during that month and either at the Mill premises or at the godown of the Company as the Company may direct; PROVIDED that in the case of bales of which delivery is required in Bombay, and of which delivery is given according to the practice of the Company to the selling agents of the Company in the market, the Company shall not be liable to a claim by the Buyers for late delivery if the bales were ready for delivery at the mill premises or the godowns of the Company on the last day of the aforesaid month.

8. The Company shall as far as possible, but without being under any obligation to do so, notify the Buyers of the number and particulars of the bales ready for delivery at the end of each Calendar month, and shall also furnish to the Buyers if requested by the Buyers in writing so to do the number and particulars of the bales ready for delivery from time to time during the month. Any such notification or furnishing of particulars by the Company as aforesaid shall not imply or be deemed to imply an obligation or undertaking on the part of the Company to give any further notification, or to furnish any further particulars, except upon the written request of the Buyers, it being the duty of the Buyers to ascertain the number and particulars of the bales ready for delivery from time to time and to pay for and take delivery thereof.

9. In the event of the Buyers requesting the Company to despatch the goods either by rail, road or sea, and the Company acceding to such request, the goods shall be at the risk in all respects of the Buyers, from the time they leave the Mill premises or the godowns of the Company, as the case may be, including the risk of delay in delivery due to the non-booking of the goods by the Railway or Shipping Company for which the Company takes no responsibility.

10. Where goods are to be delivered in lots or by instalments, this contract shall be deemed and construed as a separate contract in respect of each lot or instalment, and the rights and liabilities of the Company and the Buyers respectively shall be the same as though a separate contract had been made in respect of each lot or instalment.

11. All goods of which delivery shall not be taken by the Buyers in accordance with the terms of this contract, shall, as from the date on which delivery thereof ought to have been taken, be deemed to have been appropriated to this contract and the Buyers shall be deemed to have assented to such appropriation without any further consent on their part than is

evidenced by their being parties to and signing this contract. From the date of such appropriation the said goods shall be held by the Company for the account of the Buyers and at their sole risk as regards loss, damage, deterioration or otherwise and the price of the goods *plus* all charges shall carry interest in favour of the Company from due date at the rate of 9 per cent. per annum and the Company shall be entitled at its sole discretion and after giving not less than three days' written notice to the Buyers, which shall be deemed to have been duly given if delivered at or sent by registered post to the last known place of business or residence of the Buyers, to sell the said goods on account and at the risk of the Buyers either by public auction and/or private sale and either together or in lots and at such time or times and on such terms and conditions as the Company may think fit. If the net sale proceeds of the goods shall be less than the amount due to the Company for the price of the goods *plus* interest and all charges, the Buyers shall pay the deficiency to the Company on demand.

12. The Company shall have a general lien on all goods of the Buyers for the time being in the possession of the Company (including goods already paid for but of which delivery may not have been taken by the Buyers) for the total amount due to the Company for the time being under this contract and also for any amount due to the Company under any other contract with the Buyers either alone or jointly with another or others.

13. In respect of all goods of which delivery shall not be taken by the Buyers three months after the due date the Buyers agree to pay to the Company on demand annas 8 per bale per month or any part of a month for godown rent and annas 4 per bale per month or any part of a month for insurance calculated from the expiry of three months to the date on which actual delivery shall be taken by the Buyers.

14. If any goods while in the possession of the Company shall be destroyed and/or damaged from any cause whatsoever after the due date for delivery thereof to the Buyers, any sum recovered from the insurance of such goods against such destruction and/or damage may be applied by the Company in satisfaction in whole or in part, as the case may be, of the price of the said goods *plus* interest and all charges, and if the sum so recovered shall be less than the price of the said goods *plus* interest at 9 per cent. and all charges the Buyers shall pay the deficiency to the Company on demand, and on the other hand if the sum so recovered shall be greater than the price of the said goods *plus* interest at 9 per cent. and all charges, the Sellers shall pay the excess so recovered to the Buyers on demand.

15. If the Company shall be unable to deliver the whole or any part of any goods sold for future delivery by the time specified for delivery thereof by reason of the mills working short time, or its being expedient to stop the mills temporarily or by reason of fire, war, stoppage or hindrance in the supply of raw materials or fuel, explosion, accident, strike, riot, lockout or other disorganisation of labour or transport, breakdown of machinery, or any inevitable or unforeseen event beyond human control directly or indirectly interfering with the working or the full working of the mills, the Buyers shall take delivery of such bales as the Company may be in a position to deliver (if any) and the time for completing the contract shall, as regards the bales not ready by the specified time, be extended for such time as the Company may reasonably require to make up for the delay caused by stoppage, hindrance to or interference with the working of the mills or any other events or circumstances before mentioned, PROVIDED ALWAYS that should the inability to deliver be continuous during the period of three consecutive English Calendar months, then the Buyers shall be entitled by notice in writing of their intention to do so, to cancel the contract in respect of any bales then remaining to be manufactured.

16. If for any reason other than those mentioned in the last preceding clause any portion of the contract goods is not ready for delivery by the specified time, it shall be lawful for the Buyers at their option either to cancel the contract in so far as it relates to the balance of the goods not then ready for delivery, or to extend the time of delivery for such period as the Company may reasonably require, not exceeding one month, PROVIDED ALWAYS that if the Buyers shall elect to cancel the contract it shall be incumbent upon them to give to the Company within seven days after the due date for delivery of the goods not then ready notice in writing of their intention to cancel, and in default of such notice within the time aforesaid the Buyers shall be precluded from cancelling the contract and the time for delivery shall be deemed to have been extended for such period as the Company may reasonably require, not exceeding one month, to make ready for delivery the balance of the goods then undelivered.

17. In any of the cases provided for in the last two preceding clauses the Buyers shall not be entitled to make any claim for damages, allowance, compensation or otherwise in respect of such non-delivery or late delivery and shall pay for the goods delivered a price which shall bear the same proportion to the total price of all the goods as the goods delivered bears to all the goods agreed to be delivered, and in the event of the time for delivery being, or being deemed to have been extended, all the provisions of this contract shall apply equally to the extended time as to the time originally specified, including therein the remedies reserved to the Company for failure on the part of the Buyers to pay for and take delivery of the goods when ready within the extended period and including the liability of the Buyers for interest.

18. The Buyers shall not be entitled to make any claim for an allowance or otherwise in regard to the condition of the goods when once the goods have left the mill premises or the godowns, as the case may be, of the Company, unless the Buyers prove that the damage was done at the mills and the claim is lodged within seven days of the delivery of the goods.

19. The Buyers shall not be entitled to make any claim for an allowance or otherwise on the ground that the goods delivered are not in accordance with the contract unless notice in writing of their intention to make such claim shall have been given to the Company within one calendar month after the date of actual delivery of the goods to the Buyers or to a carrier or other agent on behalf of the Buyers. In default of any such notice the goods delivered shall be deemed to be in all respects in accordance with the contract.

20. In the event of any goods the subject of this contract or any portion thereof being destroyed or so damaged by fire, water or other cause beyond the control of the Company as to render them unmerchantable while stored at the mills or godowns of the Company pending due date for delivery, the contract in respect of such goods shall be deemed to have been cancelled by mutual consent and the Buyers shall have no claim whatsoever against the Company in respect of such goods, but if the price of such goods shall have been then paid the Buyers shall be entitled to a refund thereof.

21. All disputes and questions whatsoever which shall arise between the parties hereto out of or in connection with this agreement or as to the construction or application thereof or the respective rights and obligations of the parties hereunder or as to any clause or thing herein contained, or any account or valuation to be made hereunder or as to any other matter in any way relating to these presents, shall be referred to arbitration in accordance with the rules of the Bombay Millowners' Association for the time being in force regulating arbitrations with respect to piecegoods.

22. Notwithstanding any such reference to arbitration as aforesaid the Buyers shall take delivery of the goods the subject of the reference and pay for the same as herein agreed, and unless the arbitration award is to the effect that the goods under dispute are " no tender " the Buyers shall be bound to accept the said goods on payment by the Company of the allowance (if any) awarded to the Buyers. If, however, the arbitration award is to the effect that the goods are " no tender " the Buyers shall be entitled to invoice back the said goods with any penalty the arbitrators may award.

23. Nothing appearing in the contract in any vernacular language, save only the name or signature of the Buyer or his Agent, shall be binding upon the Company.

BOMBAY MILLOWNERS' ASSOCIATION.

PROVIDENT FUND RULES.

Name.

Rule 1.—The Fund shall be called the Bombay Millowners' Association Provident Fund.

Definitions.

Rule 2.—In these rules, unless there is something repugnant in the subject or context—

" Association " means the Bombay Millowners' Association.

" Committee " means the Committee for the time being of the Bombay Millowners' Association.

" Trustees " means the Trustees of the Fund for the time being as hereinafter provided.

" Salary " or " Pay " means only the fixed monthly salary received by each employee from the Association and does not include any acting, officiating or personal allowance, bonus, commission or other remuneration or profit whatever uncertain in amount or derived by any employee by any means, outside his fixed ascertained salary.

" Fund " means the Provident Fund constituted hereunder.

" Member " means any person in the service of the Association who is also a subscriber to the Fund.

" Service " means continuous service; and the test whether service is continuous is the payment to an employee of a salary continuously during the period of service, and dates from the beginning of each employee's service, whether such service begins before, on, or after 1st May, 1924: Provided that an employee who is granted leave on loss of pay shall not thereby be considered as having broken the continuity of his service. In the case of an employee who may have left the service of the Association for any reason and has been subsequently re-engaged, his service will be reckoned from the date of his re-engagement.

" Employee " means a salaried officer or servant of the Association.

Object of the Fund.

Rule 3.—The object of the Fund shall be to provide every employee, who is a member, with a sum of money, the amount of which will be ascertainable according to these rules, on termination of his service with the Association.

Management of Fund.

Rule 4.—The Fund shall be managed by the Committee of the Association for the time being whose decision shall be final and binding upon all members.

Trustees of Fund.

Rule 5.—The Committee shall appoint annually two of their number to be Trustees of the Fund, in whom the Fund shall be vested.

In the event of a vacancy occurring in any year the Committee shall appoint another of their number to fill the vacancy for the remainder of the year.

Compulsory contribution.

Rule 6.—Contribution to the Fund shall be compulsory on all permanent employees of the Association who are in receipt of pay exceeding Rs. 60 per mensem, but employees whose service with the Association commenced previous to 15th April, 1924, shall have the option of joining, such option to be declared by the 15th May, 1924.

Rules binding on all members.

Rule 7.—These Rules shall operate to bind every member who shall become a member by exercising his option under Rule 6 in the same way as if he had become a member by entering the service of the Association after the said 15th April, 1924.

Rule 8.—Every employee who shall be or become a member shall be subject to these rules, and shall sign an agreement in the Form A annexed to these rules. Agreement to be signed.

Rule 9.—Every member shall contribute 8⅓ per cent. of his salary to the Fund, which shall be deducted from his pay on the last day of each month. Scale of member's contributions.

Rule 10.—The Association will, on the 30th June and the 31st December, in each year contribute and pay to the Fund a sum which shall be equal to the aggregate contributions of all the members during the half-year preceding each of such days respectively. Association's contributions.

Rule 11.—The contribution of any employee absent on leave or furlough shall, during the period of such absence, be assessed on the salary allowed to him during such absence, but any employee shall be at liberty, subject to the consent of the Committee, to contribute on the full amount of his salary if he should so desire, provided notice in writing of such desire shall have been given by him to the Committee prior to the due date for payment of salary next after such employee shall have obtained leave or furlough. Contributions of members during leave.

Rule 12.—The Committee from time to time shall pay into the Imperial Bank of India or such other bank as the Committee may select, to the credit of an account to be opened in the names of the Trustees, all moneys received by them. All moneys to the credit of such account shall be dealt with in accordance with these rules and such account shall be operated on only by cheques bearing the signatures of the two Trustees in addition to the signature of the Secretary of the Association. Cheques to be signed by Trustees and Secretary.

Rule 13.—The moneys of the Fund not immediately required for the purposes of the Fund shall from time to time, but not later than 12 months after being credited to the Fund, be invested by the Trustees, in their own names, in any security in which trust property may be lawfully invested under the Indian Trusts' Act, 1882. The Trustees shall have power to vary or transpose such investments into or for others, as may at any time be deemed expedient ; or such money may be placed in deposit with any bank or banks as the Trustees may think expedient. Available funds to be invested.

Rule 14.—The Trustees shall from time to time, upon the written requisition of the Committee, pay to them such sum or sums as may be required for the purposes of these rules and shall if necessary raise the moneys required for the same by a sale of the securities held by the Trustees or of a sufficient part thereof or by a loan on the security of the same. Power to make sale of securities.

Rule 15.—A separate account shall be kept in Form B with respect to each member showing the amount of the subscriber's personal contributions, with interest thereon as it becomes due, and also his share of the contributions of the Association, lapses and forfeitures, with interest thereon. Separate account for each member in Form B.

Rule 16.—The account of each member will be made up on the 31st December in each year, and interest at 5 per cent. per annum will be allowed on the amount standing to the credit of each member during such year, and the Association will contribute the difference, if any, between the amount of interest realised by the investment and 5 per cent. as aforesaid. Interest allowed.

Rule 17.—A statement of account of each member shall be made up in Form C to 31st December of each year, and each member shall be required to certify in writing upon such account that the amount therein shown as standing to his credit is correct. Annual statement to each member.

Rule 18.—No member shall be entitled to claim payment of any money out of the Fund except as is by these rules expressly provided.

Rule 19.—The full amount standing to a subscriber's credit, including his own and the Association's contributions, together with interest accrued, shall be payable— Total amount payable.

(1) on the death of the subscriber to his nominee or heir under Rule 27 ;

(2) to the subscriber on his retirement from the service of the Association, provided that he has—

(*a*) completed fifteen years' service ; or,

(*b*) established to the satisfaction of the Committee that his retirement is necessitated by incapacity for further service.

Committee's power to waive forfeitures.

Rule 20.—A subscriber who leaves the service of the Association without fulfilling the conditions of Rule 19 shall be entitled only to payment of his own accumulated subscriptions, together with the interest which has accrued thereon, provided that the Committee shall have absolute discretion to waive forfeiture of the subscriber's interest in the Association's contributions and the income derived therefrom if this concession is, in their opinion, justified.

Dismissal for grave misconduct.

Rule 21.—In the event of a subscriber being dismissed from the Association for grave misconduct or dishonesty, of which fact the decision of the Committee shall be final and binding upon the subscriber, the whole of his interest in the Fund may be forfeited for the benefit of the Fund.

Division of forfeitures.

Rule 22.—Except as provided in Rule 21, and subject to the provisions of Rule 20, any lapse or forfeiture which may accrue during the year shall be divided amongst the members in proportion to the amount of the subscriptions they have contributed during the year and such sums shall be placed to their credit and shall be paid to them if and when they shall respectively become entitled to their shares of the contributions of the Association.

Member's right to the amount of his own subscription.

Rule 23.—A subscriber's contributions to the Fund and the amount credited to his account as income earned thereon, shall be his property funded for his benefit and, save as provided by Rule 21, shall not be forfeitable in any circumstances except as may be provided by law.

Member's right to Association's contribution.

Rule 24.—A subscriber's interest in the contribution made by the Association to the Fund does not commence until he retires from the service of the Association, and qualifies for admission to the benefit of the Association's contribution under these rules.

Advances from the Fund.

Rule 25.—Advances from the amount standing to their credit on account of their own subscriptions may, at the discretion of the Committee, be granted to subscribers in deserving cases of sickness or other urgent cause, for themselves or for their families ; such advance to be subsequently repaid by instalments to be fixed by the Committee in each case with interest, at such rate and payable at such times and whether simple or compound, as the Committee may direct.

Closing of member's account.

Rule 26.—A subscriber's account shall be closed—

(1) when he dies, on the day after the date of his death ;

(2) when he quits the service of the Association, from the day on which he quits it.

When a subscriber's account is closed, such amount, if any, as may be decided by the Committee, shall be added in respect to the portion of the year since the 31st December preceding.

No further contribution and interest shall be credited in respect of any period subsequent to that date.

Procedure on withdrawal.

Rule 27.—(*i*) Each subscriber shall, on joining the Fund, furnish a declaration in the Form D annexed showing how he wishes the amount to his credit in the Fund to be disposed of on his death. Such declaration is revocable at any time during the subscriber's lifetime

but a fresh declaration shall be operative only on being received by the Committee. On a subscriber's marriage or re-marriage any declaration previously made will forthwith become null and void. If the nominee is a minor, the subscriber must, at the time of nomination, also appoint a person of full age to whom the amount standing to the subscriber's credit is to be paid on behalf of the minor nominee in the event of the subscriber dying before the minor nominee attains his majority.

If a subscriber fails to make and maintain the required nomination, the amount which would have been credited to his account on account of the Association's contributions and income thereon shall lapse to the Fund, but the Committee, at their absolute discretion, may order such payment in this respect to the deceased's widow or family as they may deem fit.

On the death of a subscriber the full amount standing to his credit shall be paid within three months of the date of death without deduction, either to his nominee as provided or (if his nominee is a minor at the time such amount is payable) to the person for the time being appointed to receive such amount on behalf of the minor nominee irrespective of the period for which the subscriber has served. In the event of no valid nomination being in existence, the amount standing to the deceased subscriber's credit and shown in the Form prescribed in Rule 15 shall be paid to his legal heirs.

(*ii*) If the withdrawing subscriber be living he shall apply to the Committee for payment of the amount to his credit. The Committee shall thereupon decide the further amounts, if any, which are to be credited to the subscriber's account under these rules and shall cause payment to be made to the subscriber.

(*iii*) When payment of a subscriber's account to himself or to his nominee (or in cases where no valid nomination was in existence to his legal heirs) has been accepted, no further claim shall lie against the Fund nor shall the Committee's decision as to the amounts credited to the subscriber's account be questioned.

Rule 28.—Any loss to the Fund from any cause whatever and all other costs, charges and expenses to which the Committee or the Association shall be put in connection with the Fund for any reason whatsoever shall be borne by and be a charge upon the Fund. Expenses of the Fund.

Rule 29.—The accounts of the Fund shall be made up yearly on the 31st December. Annual making up of accounts.

Rule 30.—A subscriber's interest in the Fund in respect either of principal or interest shall be strictly personal, and no member shall be entitled to transfer or assign, whether by way of security or otherwise howsoever, his interest or any part thereof in the Fund and no such transfer or assignment shall be valid, and the Trustees or Committee shall not recognise or be bound by notice to them or any of them of any such transfer or assignment, and all moneys standing in the books of the Fund to the credit of any member so transferring or assigning his interest as aforesaid shall forthwith be forfeited as from the date of such transfer or assignment to the use of the Fund and be dealt with accordingly; and, further, if any prohibitory order or attachment or process of a Civil Court be served upon the Trustees or the Committee or any of them or any person on their behalf by which any moneys standing to the credit of any member in the books of the Fund shall be attached or be ordered to be paid into a Civil Court or be ordered to be withheld from such member, such moneys shall forthwith be forfeited to the use of the Fund and be dealt with accordingly : Provided that the Committee shall be at liberty in their uncontrolled discretion at any time thereafter to give such moneys or any part thereof for the benefit of such member or his wife, children or relations and the Trustees shall deal with such moneys accordingly on the written requisition of the Committee. Member not entitled to assign or transfer his interest in the Fund.

Rule 31.—If any member shall transfer or assign his interest in the Fund as aforesaid, or if such interest shall be attached or otherwise dealt with or affected as indicated by Rule 30, the Association may forthwith cease all contributions to the Fund in respect of such member and all moneys standing to the credit of such member represented by or referable to contributions by the Association and the interest thereon shall forthwith be transferred Procedure in case member's interest has been assigned.

by the Trustees from the credit of such member to the credit of a suspense account, and if for a period of one year from the date of such transfer the Trustees shall not have received from the Committee written instructions to re-transfer the said moneys and interest, or so much thereof as shall not have formed the subject of any such instructions of the Committee as aforesaid, shall, upon the expiration of the said period of one year, be deemed to be moneys which have lapsed or become forfeited and shall be dealt with in accordance with Rule 22.

Indemnification of Trustees.

Rule 32.—The Association shall hold every Trustee indemnified against all proceedings, costs, and expenses occasioned by any claim in connection with the Fund not arising from his negligence or fraud.

Power to close Fund.

Rule 33.—The Committee shall have the power to close the Fund at any time if considered advisable or necessary, in which event the moneys in the Fund will be distributed among the members in accordance with their accounts.

Certificate as to amount of balance.

Rule 34.—In all cases wherein a certificate shall be required of the amount of the balance standing in the books of the Fund to the credit of a deceased member for the purpose of obtaining, free of stamp duty, a grant of probate or letters of administration or any other purpose, such certificate shall be in the Form E.

Power to make new rules.

Rule 35.—The Committee shall have the power, after one month's notice to members, to make any alterations, amendments or additions which they may consider necessary in or to these rules.

Date of enforcement of rules.

Rule 36.—These rules shall come into force on 1st May, 1924.

BOMBAY MILLOWNERS' ASSOCIATION.

PROVIDENT FUND.

FORM A.

Form of Agreement prescribed in accordance with Rule 8.

I hereby declare that I have read the foregoing rules of the Bombay Millowners' Association Provident Fund and that I agree to be bound by them.

Dated *day of* 19 *at*

Name in full .....

Date of birth.....

Date of joining appointment .....

Nature of appointment .....

Salary per mensem.....Rupees.

Signature : ..... Address :—.....

Witness (name) : ..... { Address :—..... / Occupation :— .....

Witness (name) : ..... { Address :—..... / Occupation :— .....

BOMBAY MILLOWNERS' ASSOCIATION.

PROVIDENT FUND.

FORM B.

Form of account prescribed by Rule 15.

Name of Member :—_____

Joined the service of the Association on_____

Joined the Provident Fund on _____

Name of Nominee :—_____

Date of Payment.	Amount of salary per mensem.	Membership subscription for the month of	Member's subscription.			Interest on member's subscription.			Association's contribution.			Interest on Association's contribution.			Amount of forfeitures credited to member.			Total amount at credit of member.			REMARKS.
Brought forward ...			Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	

BOMBAY MILLOWNERS' ASSOCIATION.

PROVIDENT FUND.

— FORM C.

Statement showing the sums standing to the credit of Mr. ....., employed as ....., issued solely for his information.

FOLIO NUMBER OF ACCOUNT.....

PARTICULARS.	Rs.	a.	p.	Rs.	a.	p.
Member's subscription and interest standing to his credit on 31st December, 192 , as per last Memo.						
Member's subscription and interest credited during the year 192						
Association's contribution with forfeitures and interest standing to the credit of member on 31st December, 192 , as per last Memo.						
Association's contribution with forfeitures and interest less expenses credited during the year 192						
Total amount at credit on 31st December, 192 ..						

NOTE.—This Memo cannot be hypothecated nor used in any way as being a security to a third party.

The name of the nominee, as at present registered, is :—

.....

.....

BOMBAY, 31*st December*, 192 . *Secretary.*

Certified that the amount shown above as standing to my credit on 31st December, 192 , is correct.

Bombay, the.....day of....., 192... *Signature.* .....

BOMBAY MILLOWNERS' ASSOCIATION.

PROVIDENT FUND.

FORM D.

Form of Declaration prescribed in accordance with Rule 27.

No.....

Folio No.....

I,....., employed as.....in the service of the Bombay Millowners' Association, hereby declare that in the event of my demise before retirement the sum of money standing to my credit in the Bombay Millowners' Association Provident Fund shall be distributed in the manner shown against their names in the tabular statement below.

The amount due to any nominee named hereunder, who is a minor, at the time of my death, should be paid to the person whose name appears in the corresponding line in column 5 :—

1	2	3	4	5
Name & address of nominee or nominees.	Relationship with the subscriber.	Whether a major or minor. If a minor, date of birth should be stated.	Amount or share of deposit.	Name and address of person to whom payment is to be made on behalf of any minor.

Here state whether married or unmarried :—

Witness.....

Witness.....

Signature.....

*Dated.....day of.....*19.....

N.B.—If a member wishes to revoke the above nominations he must endorse it to that effect and make a fresh nomination.

BOMBAY MILLOWNERS' ASSOCIATION.

PROVIDENT FUND.

FORM E.

Certificate prescribed in accordance with Rule 35.

No.....

It is hereby certified that the balance standing in the books of the Provident Fund of the Bombay Millowners' Association to the credit of. .....

of.....numbered as above on the.....

day of.....was Rupees.....

Dated this .....day of.....19...

Entered ..... Examined .....

Trustees :—

RULES FOR THE ELECTION OF REPRESENTATIVES OF THE ASSOCIATION ON THE BOARD OF THE VICTORIA JUBILEE TECHNICAL INSTITUTE.

The Association is entitled to elect two members on the Board of the Victoria Jubilee Technical Institute so long as it continues to contribute not less than Rs. 2,000 per annum for the maintenance of the Institute.

1. Any member of the Association shall be eligible to act as Representative of the Association on the Board of the Victoria Jubilee Technical Institute.

2. The period of office of any elected Representative of the Association on the Board of the said Institute shall be one of three years. At the end of such period he shall retire but may be re-elected.

3. The appointment of the Association's Representatives shall be made at a general meeting of the Association and such Representatives shall *ex-officio* be members of the Committee of the Association.

4. In the event of the disqualification of any of the Association's Representatives under Section 9 or 10 of the Rules and Regulations of the said Institute, or in the event of the decease or resignation of such Representative, or in the event of his ceasing for any reason to be a member of the Association, the Committee shall appoint a successor, who shall hold office up to that date at which the Representative whom he succeeds would, under Rule 2, have retired.

5. In the event of the absence of any of the Association's Representatives from three or more consecutive meetings of the Board, or in the event of any of the Association's Representatives applying for leave of absence, the Committee may, if they think fit and with the consent of the Board of the said Institute, appoint a substitute who shall hold office until the Representative whom he replaces resumes attendance or up to that date at which the Representative whom he replaces would, under Rule 2, have retired.

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE IMPROVEMENTS COMMITTEE CONSTITUTED UNDER THE PROVISIONS OF THE CITY OF BOMBAY IMPROVEMENT TRUST TRANSFER ACT, 1926.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary ten clear days before the day fixed for the election.

2. The Secretary of the Association shall circulate the names of the applicants four clear days before the election.

3. The Committee shall appoint two days, which shall be duly advertised, upon which the balloting shall take place. The ballot-box shall be open from 10 A.M. till 6 P.M. on each day.

4. Votes may be given either in person or through any one duly authorised by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association.

5. The Committee shall appoint two scrutineers, who, at 6 P.M. on the second day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy the above course shall be followed in the appointment of a substitute.

10. In the event of the temporary absence of a Representative of the Association on the Improvements Committee, necessitating the appointment of a substitute under Section 13 (2), such appointment shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE BOARD OF TRUSTEES OF THE PORT OF BOMBAY.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary fifteen clear days before the day fixed for the election.

2. The Secretary of the Association shall circulate the names of the applicants ten clear days before the election.

3. The Committee shall appoint a day, which shall be duly advertised, upon which the balloting shall take place. The ballot-box shall be open from 10-30 A.M. till 5 P.M. on that day.

4. Votes may be given either in person or through any one duly authorised by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association.

5. The Committee shall appoint two scrutineers, who, at 5 P.M. on the day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy the above course shall be followed in the appointment of a substitute.

10. In the event of the temporary absence of a Representative of the Association on the Board of Trustees, necessitating the appointment of a substitute, such appointment shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

PROCEDURE IN CONNECTION WITH THE ELECTION OF THE REPRESENTATIVES OF THE ASSOCIATION ON THE LEGISLATIVE ASSEMBLY AND THE BOMBAY LEGISLATIVE COUNCIL.

Explanatory Note.

Prior to November 1920, the date of the first elections to the new Councils constituted under the Reforms Scheme, the Association's Representative on the Bombay Legislative Council had been elected in accordance with the provisions of the Association's Rules for the election of such members. Under the rules framed under the Government of India Act, 1919, however, the Association becomes a Commerce and Industry Constituency and is entitled to elect one member to the Legislative Assembly and one member to the Bombay Legislative Council. Election to these bodies will henceforth be held in accordance with special Rules and Regulations drawn up by the Government of India and the Local Government in that respect. The Rules and Regulations in question have been published in the *Gazettes*, but the following summary of their provisions, so far as they relate to elections in this Constituency, has been prepared for the convenience of members.

Notes as to the procedure to be followed in connection with the election of Members of the Association for the Bombay Millowners' Association Constituency of the Indian Legislative Assembly and the Legislative Council of the Governor of Bombay.

N.B.—It must be distinctly understood that the following Notes are drawn up merely for the convenience of members and are in no way to be considered as over-riding the Rules and Regulations framed under Section 7 of the Government of India Act, 1919.

Rules. Part II and Part III.

1. Members only of the Bombay Millowners' Association as defined in Rule 4 of the Association's Rules and Regulations will be eligible to vote at elections for, and be eligible for nomination as candidates for election to the above Councils.

The term member includes any person entitled to exercise the rights and privileges of membership on behalf of any person, firm, company, or other corporation registered as such member, provided such person is not disqualified under the provisions of Part II of the Electoral Rules, and has been duly nominated, in accordance with Clause 3 of these Notes by the said member.

Regulations. Part I.

2. The Secretary for the time being of the Association will be the Returning Officer for the Constituency.

Regulations. Part II.

3. The Secretary will immediately before each election call upon each member to nominate a person, who is duly qualified under Rules 6, 7 or 8 of the Association's Rules and Regulations and who is not otherwise disqualified, for registration on an electoral roll and except as is hereinafter provided, only such person as is so nominated and registered will be eligible to vote on behalf of such member at the ensuing election, and be eligible for nomination as a candidate for election at the ensuing election.

Regulations. Part II, Clause 1 (3) and Clauses 4 & 5.

4. The Secretary will on or before a date to be fixed by the Local Government publish the Electoral Roll provided for in Clause 3 of these Notes at the Head-Quarters of the Association, and at the time of publishing the roll will in like manner publish a notice in the form prescribed in Schedule I attached to these Notes.

Regulations. Part II, Clause 6.

5. On receipt of the orders made by the Revising Authority in regard to any claims or objections that may be raised, the Secretary will make such cancellations in, and will prepare a list of such additions to, the Electoral Roll as may be required in accordance with such orders and will re-publish such amended Electoral Roll and list of additions at the Head-Quarters of the Association on or before a date to be fixed by the Local Government.

6. The Electoral Roll will come into force from the date of re-publication provided for in Clause 5. Rules. Part III, Clause 9 (4).

7. The Electoral Roll as amended and supplemented by the list of additions will be conclusive evidence for the purpose of determining whether any person is an elector in this Constituency. Regulations. Part II, Clause (7).

8. A fresh Electoral Roll will be prepared for each election in the prescribed manner. Regulations. Part VIII, Clause (j).

9. Any person whose name appears on the Electoral Roll of the Association may be nominated as a candidate for election in the manner hereinafter provided. Rules. Part IV, Clause 11.

10. Nominations will be by means of a nomination paper in Form I appended to the Electoral Regulations and which will be supplied by the Secretary to any member asking for the same. Regulations. Part III, Clause 1 (1).

11. Every nomination paper will be subscribed by two members as proposer and seconder and will be signed by the candidate as assenting to the nomination. Regulations. Part III, Clause 1 (2).

12. Where a member subscribes a larger number of nomination papers, those first received up to the number allowed will be deemed to be valid and the remainder invalid. Where in any such case the Secretary is not able to determine which nomination papers were received first, all such papers will be deemed to be invalid. Regulations. Part III, Clause 1 (3).

13. Each candidate will be nominated by a separate nomination paper. Regulations. Part III, Clause 1 (4).

14. Save as provided in Clause 15, every nomination paper will be presented to the Secretary at the Head-Quarters of the Association by the proposer or seconder on or before a date and at a time, if any, appointed by the Local Government in this behalf. Regulations. Part III, Clause 2 (1).

15. A candidate may be nominated by a nomination sent by post so as to reach the Secretary before the time appointed as aforesaid in Clause 14. The proposer and seconder will append to such nomination paper a certificate from a Gazetted Revenue or Judicial Officer that they have signed the paper in his presence and that they are members of the Association. Regulations. Part III, Clause 2 (2).

16. A candidate who has been duly nominated for election may withdraw his candidature by a written and signed communication delivered to the Secretary not less than fourteen clear days before the date fixed for the recording of votes ; or if the period between the dates fixed for the scrutiny of nomination papers and the recording of votes is less than fourteen clear days, not later than the date fixed for such scrutiny. The Secretary will forthwith publish any such withdrawal in such newspapers as he may select and, where the name of the candidate has been inserted in any voting paper, will cause the same to be cancelled. Regulations. Part III, Clause 3 (1) & (2).

17. A candidate who has withdrawn his candidature will not be allowed to cancel the withdrawal or to be re-nominated as a candidate for the same election. Rules. Part IV, Clause II (3).

18. In the event of the death of a candidate between the date fixed for the presentation of nomination papers and the date fixed for recording votes, all proceedings with reference to such election will be commenced afresh with the exception of proceedings in connection with the drawing up of the Electoral Roll as provided for in Clauses 3 to 6. Fresh dates for the stage of such election will be prescribed by the Local Government. Regulations. Part III, Clause 3 (3).

19. On the date and at the time appointed by the Local Government for the scrutiny of nomination papers, every candidate or his election agent, and his proposer and seconder may attend at the Head-Quarters of the Association and the Secretary will allow them to examine all nomination papers which have been received by him. Regulations. Part III, Clause 4 (1).

Regulations. Part III, Clause 4 (2).

20. The Secretary will examine the nomination papers and will decide all objections which may be made to any nomination paper on the ground that it does not comply with the provisions of Clauses 9, 10, 11, 12 and 13, and may reject, either of his own motion, or on such objection, any nomination paper on such ground or on the ground that it was not received at or before the time appointed for the nomination of candidates ; or that the candidate has not complied with the provisions of Clause 22 ; the decision of the Secretary, with the reasons therefor, will be endorsed by him on the nomination paper in respect of which such decision is given.

Regulations. Part III, Clause 5 (1).

21. The Secretary will forthwith publish in such newspapers as he may select the names of the candidates who have been validly nominated, and the order in which the names of the candidates will appear in the voting paper.

Rules. Part IV, Clauses 11 and 15.

22. On or before the date on which a candidate is nominated the candidate will make in writing and sign a declaration appointing either himself or some other person who is not disqualified under the Electoral Rules to be his election agent and no candidate will be deemed to be duly nominated unless such declaration has been made.

Rules. Part IV, Clause 16 (1).

23. The appointment of an election agent, whether the election agent appointed be the candidate himself or not, may only be revoked by a writing signed by the candidate and lodged with the Secretary and will operate from the date on which it is so lodged.

Rules. Part IV, Clause 16 (2).

24. In the event of such a revocation or of the death of any election agent, whether such event occurs before, during or after the election, then the candidate will appoint forthwith another election agent and declare his name in writing to the Secretary.

Rules. Part IV, Clause 17 (1).

25. Within one month or such longer period as the Governor may allow after the date of the declaration of the election, every candidate, either personally or through his election agent, will cause to be lodged with the Secretary a return of his election expenses containing the particulars specified in Schedule III appended to the Electoral Rules.

Rules. Part IV, Clause 17 (2).

26. Every such return will contain a statement of all payments made by the candidate or by his election agent or by any persons on behalf of the candidate or in his interests for expenses incurred on account of, or in respect of, the conduct and management of the election and further a statement of all unpaid claims in respect of such expenses of which he or his election agent is aware.

Rules. Part IV, Clause 17 (3).

27. The return will be accompanied by declarations by the candidate and his election agent which will be in the form contained in Schedule III appended to the Electoral Rules, and will be made on oath or affirmation before a Magistrate.

Rules. Part IV, Clause 17 (4).

28. The Local Government will cause to be prepared in such manner, and maintained for such time, as it may direct, a record showing the names of all candidates at every election under these rules and the date on which the return of election expenses of each candidate has been lodged with the Secretary.

Rules. Part IV, Clause 12 (1).

29. If the number of candidates who are duly nominated and who have not withdrawn their candidature before such time as the Local Government may fix in this behalf exceeds that of the vacancies, a poll will be taken.

Rules. Part IV, Clause 12 (2).

30. If the number of such candidates is equal to the number of vacancies, all such candidates will be declared to be duly elected.

Rules. Part IV, Clause 12 (3).

31. If the number of such candidates is less than the number of vacancies, all such candidates will be declared to be elected and the Governor will, by a notification in the *Bombay Government Gazette*, call for fresh nominations for the remaining vacancy or vacancies and if any such are received, will call upon the Association to elect a member or members, as the case may be.

Rules. Part IV, Clause 12 (4), and Regulations, Parts V & VI.

32. Votes will be given by ballot and no votes shall be received by proxy. The voting paper will be in Form II-A appended to the Electoral Regulations, and the procedure laid down in Parts V and VI of the Electoral Regulations for the recording of votes will be followed.

33. Each member shall be entitled to one vote only. Regulations. Part V, Clause 1 (*c*) and (*d*).

34. Votes will be counted by or under the supervision of the Secretary, and any candidate or candidates, or in the absence of a candidate, a representative duly authorised by him in writing will have the right to be present at the time of counting. Regulations. Part VI, Clause 1 (1).

35. When the counting has been completed, the Secretary will forthwith declare the candidate to whom the largest number of votes has been given, to be elected. Rules. Part IV, Clause 12 (7).

36. Where any equality of votes is found to exist between any candidates and the addition of one vote will entitle any of the candidates to be declared elected, the determination of the person to whom such one additional vote will be deemed to have been given will be made by lot to be drawn in the presence of the Secretary of the Association and in such manner as he may determine. Rules. Part IV, Clause 12 (8).

37. The Secretary will without delay report the result of the election to the Secretary to the Council, who will publish the name of the candidate elected in the *Bombay Government Gazette.* Rules. Part IV, Clause 12 (9).

SCHEDULE.

Regulations. Part II, Clauses 4 & 5.

Notice under Regulation 4, *Part II of the Legislative Assembly Electoral Regulations and of the Bombay Legislative Council Electoral Regulations.*

1. The Electoral Roll of the Bombay Millowners' Association Constituency is hereby published in accordance with Regulation 3, Part II.

2. Any person entered on the roll who objects to any entry in the roll or any person claiming to be entered in the roll should lodge his claim or objection in the following manner:—

(*a*) Such claim or objection shall be made in writing and shall specify the Constituency in question, the grounds on which the right of any person to be entered in the roll is asserted or denied, the evidence which the claimant or objector intends to lead, the address of the claimant or objector, his number, if any, in the Electoral Roll and the area in the roll for which he is entered and in the case of an objection, the number in the Electoral Roll of the person to whose entry objection is taken and the area in the roll for which he is entered.

(*b*) Four copies of the claim or objection shall be delivered or sent by post so as to reach the office of the Judge authorised to receive the claim or objection under the Regulations on or before the third day from the publication of the roll, excluding the day of such publication.

(*c*) A claim or objection which is not lodged in the manner herein prescribed or by a person not entitled to lodge the same, shall be rejected.

3. Claims and objections relating to this roll should be sent to the Chief Judge of the Court of Small Causes, Bombay.

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE BOMBAY MUNICIPAL CORPORATION.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary fifteen clear days before the day fixed for the election.

2 The Secretary of the Association shall circulate the names of the applicants ten clear days before the election.

3. The Committee, in consultation with the Municipal Commissioner, shall appoint a day, which shall be duly advertised, upon which the balloting shall take place. The ballot box shall be open from 11 A.M. till 5 P.M. on that day.

4. Votes may be given either in person or through any one duly authorised by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association.

5. The Committee shall appoint two Scrutineers, who, at 5 P.M. on the day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy, an appointment to fill such vacancy shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

Sections of the City of Bombay Municipal Act, III of 1888, *as amended by Act VI of* 1922 *pertaining to the Election of Councillors by the Bombay Millowners' Association.*

(1) The Corporation shall consist of one hundred and six Councillors, as follows, namely :— Section 5.

Seventy-six Councillors elected at Ward elections ;
Sixteen Councillors appointed by Government ;
Four Councillors elected as follows :—

One by the Bombay Chamber of Commerce,
One by the Indian Merchants' Chamber and Bureau,
One by the Bombay Millowners' Association,
One by Fellows ;

and ten co-opted Councillors elected by transferable vote by the Councillors elected and appointed under the preceding clauses of this section.

Section 6. (1) The first members of the Corporation, constituted according to the provisions of section 5, shall come into office on the first day of April, 1889.

(2) Councillors selected or appointed to succeed retiring Councillors shall come into office on the day for the retirement of the Councillors whom they are to succeed.

Section 7. All members of the Corporation constituted as aforesaid shall retire from office at noon on the first day of April, three years after they take office, which day is in this Act referred to as the day for retirement.

Section 8. Any person who ceases to be a Councillor shall, unless disqualified, be re-eligible.

Section 15. A person shall not be qualified to be elected to be a Councillor at an election by a Chamber or Association mentioned in sub-section (1) of section 5 or at a Fellows' election, unless he is at the time of the election a member of that Chamber or Association or a person entitled to exercise the rights and privileges of membership on behalf and in the name of any firm, company or corporation registered as a member of such Chamber or Association or a Fellow, as the case may be, and unless, in the case of a Fellow, he resides in the city.

Section 22. (1) General Elections of Councillors shall be fixed by the Commissioner, subject to the provisions of Section 23, to take place triennially on such days in the months of January and February as he shall think fit.

(2) The first General Election shall be held in the year 1889.

(3) Elections to fill casual vacancies shall be fixed by the Commissioner to take place on such days as he shall think fit, as soon as conveniently may be after the occurrence of the vacancies.

Section 23. The dates for all General Elections shall be fixed in the following order, and with the following intervals, namely :—

Firstly.—The Ward elections shall be fixed to take place simultaneously for all the Wards.

Secondly.—The day for the election by the Chamber or Association mentioned in sub-section (1) of section 5 shall be fixed at an interval not exceeding twenty-one days after the day fixed for the Ward elections.

Thirdly.—The day for the Fellows' election shall be fixed at an interval not exceeding fourteen days after the day fixed for the elections by the Chamber and Association mentioned in sub-section (1) of section 5.

Fourthly.—The election of co-opted Councillors shall be held on a day fixed by the Commissioner subsequent to the abovementioned elections and the appointment of Councillors by Government but prior to the day for retirement.

Section 31. (1) Elections of Councillors by the Chamber and Association mentioned in sub-section (1) of section 5 shall be made by the members for the time being of the said Chamber or Association subject to the provisions of section 15, in such manner as shall from time to time be determined at a meeting of the said Chamber or Association convened in accordance with the rules at the time in force in this behalf.

(2) The Secretary to the said Chamber or Association shall make a return in duplicate to the Commissioner setting forth the name in full of every person so elected.

Section 32. (1) The result of every election shall be declared by fixing, as soon as may be after the election, in some conspicuous place in the Chief Municipal Office, a notice certifying the names of the persons, if any, elected, and in the case of a contested election the number of votes recorded for each candidate.

(2) The said notice shall be signed in the case of a Ward election, and in the case of an election by Councillors, by the Commissioner, and in the case of an election by a Chamber or Association mentioned in sub-section (1) of section 5, by the Secretary of such Chamber or Association, and in the case of a Fellows' election by the Registrar of the University of Bombay.

BOMBAY MILLOWNERS' ASSOCIATION.

LIST SHOWING THE VARIOUS STATISTICAL RETURNS PUBLISHED BY THE ASSOCIATION, THEIR RESPECTIVE SUBSCRIPTIONS, ETC.

	MEMBERS.		NON-MEMBERS.		POSTAGE.	
	Yearly.	Charge per copy.	Yearly.	Charge per copy.	Yearly.	Per copy.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p
Yarn and Piece-goods Trade Statistics of Bombay	1 copy free, additional copies @ Rs. 2-8-0 each		24 0 0	2 8 0	Free	Free
Yarn and Piece-goods Trade Statistics of British India ..	Do.		24 0 0	2 8 0	Do.	Do.
Statistical Abstract of Indian Cotton Industry	Do.		....	2 8 0	Do.	Do.
Current Quotations of Local - made Piece-goods and Yarns—Issued fortnightly *..	....	....	6 0 0	0 6 0	0 12 0	0 0 6
Rules and Regulations of the Association ..	....	0 8 0	....	1 0 0	....	0-2-0 Inland. 0-4-0 Mail.
Annual Report of the Association	2 copies free and for additional copies each Rs. 12-8-0.		....	12 8 0	....	1-8-0 Inland. 3-0-0 Mail.
Mill Statement showing Cotton Spinning and Weaving Mills working and in course of erection in India on 31st August each year —Issued yearly.	2 paper and 1 cloth copies free and for additional copies each—					
	Paper .. 3 0 0		Paper .. 3 0 0		Paper .. 0 4 0	
	Cloth .. 4 0 0		Cloth .. 4 0 0		Cloth .. 0 8 0	

* Free to Members.

Year ending 30th June.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed during 1925.	Approximate Quantity of Cotton consumed.		Year ending 30th June.
					Owts.	Bales, 392 lbs.	
1865 ..	10	2,49,984	3,378	6,537	Not	recorded.	1865 ..
1866 ..	10	2,74,377	3,254	6,703	Do.		1866 ..
1867 ..	10	2,76,437	3,078	7,400	Do.		1867 ..
1868 ..	10	2,76,644	3,243	7,715	Do.		1868 ..
1869 ..	10	2,80,874	3,719	7,857	Do.		1869 ..
1870 ..	10	2,96,870	4,050	8,170	Do.		1870 ..
1871 ..	10	3,05,396	4,290	8,553	Do.		1871 ..
1872 ..	11	3,24,196	4,307	8,814	Do.		1872 ..
1873 ..	14	3,84,502	4,966	10,314	2,34,763	67,582	1873 ..
1874 ..	13	4,05,216	5,137	11,294	2,60,651	75,506	1874 ..
1875 ..	27	7,92,824	7,781	13,581	Not	recorded.	1875 ..
1876 ..	29	8,16,870	8,041	..	Do.		1876 ..
1877 ..	31	8,85,264	8,433	20,347	8,61,275	1,91,739	1877 ..
1878 ..	32	9,58,344	10,266	24,942	7,13,078	2,04,379	1878 ..
1879 ..	32	9,81,010	10,850	28,660	6,82,430	1,90,490	1879 ..
1880 ..	32	9,87,816	10,866	29,417	7,71,239	2,10,584	1880 ..
1881 ..	32	9,96,352	10,902	31,383	9,54,772	2,71,767	1881 ..
1882 ..	36	10,86,084	11,274	31,801	9,71,081	2,77,440	1882 ..
1883 ..	38	11,56,080	11,967	34,736	10,94,016	3,15,504	1883 ..
1884 ..	43	12,51,724	11,983	36,671	12,19,486	3,49,140	1884 ..
1885 ..	49	13,47,790	12,611	41,345	13,72,743	3,92,498	1885 ..
1886 ..	50	13,86,779	12,948	44,111	13,00,010	3,67,154	1886 ..
1887 ..	55	14,86,644	12,163	43,276	15,87,949	4,53,614	1887 ..
1888 ..	61	14,97,613	12,761	47,276	17,50,014	5,00,004	1888 ..
1889 ..	69	15,81,328	13,386	52,580	19,73,056	5,63,730	1889 ..
1890 ..	70	15,95,666	13,785	50,139	22,26,816	6,36,234	1890 ..
1891 ..	67	15,99,128	14,347	61,981	20,66,967	7,02,563	1891 ..
1892 ..	68	16,24,716	14,900	59,087	23,90,756	6,83,073	1892 ..
1893 ..	69	16,41,208	16,064	62,870	25,84,810	7,24,260	1893 ..
1894 ..	69	16,37,174	16,268	59,583	23,87,296	6,82,084	1894 ..
1895 ..	69	21,33,892	20,217	76,740	28,53,879	8,15,394	1895 ..
1896 ..	71	21,86,323	21,335	78,455	29,73,873	8,49,678	1896 ..
1897 ..	73	21,87,474	21,297	80,720	24,59,964	7,02,847	1897 ..
1898 ..	82	22,56,982	21,879	70,728	28,00,648	8,17,328	1898 ..
1899 ..	82	24,10,803	22,209	81,790	33,17,864	9,48,204	1899 ..
1900 ..	82	23,98,981	22,215	72,914	26,06,866	7,44,819	1900 ..
1901 ..	81	23,71,982	22,414	82,162	24,35,130	6,96,036	1901 ..
1902 ..	80	23,53,168	22,945	86,122	34,85,929	9,95,979	1902 ..
1903 ..	80	23,83,183	23,282	84,176	34,81,786	9,94,796	1903 ..
1904 ..	79	23,94,230	24,136	86,018	34,04,989	9,72,854	1904 ..
1905 ..	81	23,90,816	23,073	80,924	37,33,861	10,72,462	1905 ..
1906 ..	84	24,14,203	23,757	86,720	36,94,454	10,45,244	1906 ..
1907 ..	85	26,13,480	31,962	88,101	39,03,125	11,15,750	1907 ..
1908 ..	86	27,54,663	32,209	89,164	37,77,174	10,79,192	1908 ..
1909 ..	89	28,00,243	30,264	1,03,781	36,45,654	10,30,264	1909 ..
1910 ..	89	28,24,946	41,931	1,04,580	44,44,263	9,04,558	1910 ..
1911 ..	87	28,98,390	42,447	1,06,855	33,57,075	9,58,878	1911 ..
1912 ..	86	28,88,482	42,980	1,06,081	37,71,586	10,77,610	1912 ..
1913 ..	90	29,15,960	43,230	1,09,653	37,82,725	10,80,779	1913 ..
1914 ..	90	30,09,172	43,230	1,09,902	37,70,135	10,77,181	1914 ..
1915*	86	29,94,367	42,986	1,11,924	38,91,175	10,26,030	1915*
1916*	86	29,84,376	43,205	1,14,863	38,30,969	10,80,174	1916*
1917*	87	29,53,176	43,205	1,16,902	39,71,849	11,34,900	1917*
1918*	87	29,82,648	40,192	1,24,199	37,39,222	10,68,492	1918*
1919*	88	29,74,470	40,778	1,29,306	34,90,144	9,97,184	1919*
1920*	85	29,64,824	40,634	1,40,208	33,90,025	9,17,130	1920*
1921*	85	30,22,486	42,760	1,47,746	37,12,080	10,60,608	1921*
1922*	82	31,17,244	44,521	1,48,224	37,59,000	10,74,000	1922*
1923*	81	33,48,062	44,846	1,48,771	37,09,761	10,59,646	1923*
1924*	82	34,17,671	71,133	1,48,414	38,13,183	8,01,198	1924*
1925*	82	34,56,533	72,362	1,50,669	34,81,866	7,31,191	1925*
1926*	83	34,72,042	73,761	1,49,089	37,12,208	7,79,563	1926*
1927*	83	34,80,970	74,435	1,54,916	34,96,726	7,34,312	1927*

* Year ending 31st August.

NAMES OF MILLS.	NAMES OF AGENTS OR MANAGING AND OFFICE ADDRESS.
BOMBAY ISLAND.	
1. † Alliance Cotton Manufacturing Company, Limited	Messrs. Mangaldas Vijbhukhandas, secretaries, Treasurers & Agents, Ghat Bldg., 25, Apollo St., Fort, Bombay.
2. Apollo Mills, Ltd.	Messrs. E. D. Sassoon & Co., 15, Dougall Road, Ballard Estate, Bombay.
3. Asser Vasnjee Mills, Limited	Messrs. H. P. Commissariat & Co., Commercial Building, Horniman Circle, Fort, Bombay.
4. Birla Mills, Ltd., No. 1 (formerly Ramdas Mill) ..	Messrs. Allana Haleembhoy & Sons, Factors, Treasurers and Agents, 4th Floor Dhanji Street, Bombay.
5. Birla Mills, Ltd., No. 2 (formerly Indo-China Mills) (now) Jam Mfg. Co., Ltd., No. 2 ..	Messrs. Wajee Nasonji & Co., Secretaries, Treasurers & Agents, 5, Horniman Circle, Fort, Bombay.
6. Bombay Cotton Manufacturing Company, Limited ..	Messrs. Harkisondas Sons & Co., Commercial Building, Horniman Circle, Fort, Bombay.
7. Bombay Dyeing and Mfg. Co., Ltd. (Spring Mills) ..	Messrs. Bowreng Wadia & Sons, Fortune Buildings, Home Street, Bombay.
8. ,, ,, do. (Textile Mills) ..	do. do. do.
9. Bombay Industrial Mills Co., Ltd. (formerly Ray Mills).	Messrs. W. H. Brady & Co., Secretaries, Treasurers & Agents, Imperial Chambers, Queen's Road, Bombay.
10. Bradbury Mills, Ltd.	Messrs. Chamanlaley Limited & Co., Agents, 12-14, Outram Road, Bombay.
11. Century Spinning and Manufacturing Co., Ltd. (Century Mill).	Messrs. C. N. Wadia & Co., Century Buildings, Sophia Road, Fort, Bombay.
12. Century Spinning & Manufacturing Co., Ltd. (Fourth Mill.)	Messrs. W. H. Brady & Co., Imperial Chambers, Royal Insurance Buildings, Queen's Road, Bombay.
13. Colaba Land and Mill Company, Limited ..	Messrs. Lowjeejee Jamsetjee & Co., Secretaries, Treasurers & Agents, 83, Readymoney Mansion, Fort, Bombay.
14. Jehangir Wadia Mill	Messrs. Lowjeejee Jamsetjee & Co., Secretaries, Treasurers & Agents, 83, Readymoney Mansion, Fort, Bombay.
15. Coorla Spinning and Weaving Company Limited ..	Messrs. Chamanlaley Limited & Co., Agents, Commercial House Chambers, Fort, Bombay.
16. Crescent Mills Co., Ltd.	Messrs. Purshotam Vithaldas & Co., Secretaries, Treasurers and Agents, Home Street, Bombay.
17. Crown Spinning & Manufacturing Co., Ltd. (formerly Dhuru Mills).	Messrs. Chamanlaley Limited & Co., Agents, 12-14, Outram Road, Bombay.
18. Currimbhoy Mills Co., Ltd. (including Mahomedbhoy Mills).	Messrs. E. D. Sassoon & Co., Ltd., 15, Dougall Road, Ballard Estate, Bombay.
19. David Mills Company, Limited, No. 1 ..	Messrs. Chamanlaley Limited & Co., Agents, 12-14, Outram Road, Bombay.
20. David Mills Company, Limited, No. 2 ..	Messrs. E. D. Sassoon & Co., Ltd., 15, Dougall Road, Ballard Estate, Bombay.
21. Dawn Mills Company, Limited	Messrs. Sassoon J. David & Co., Ltd., 14-15, Sassoon David, Fort, Bombay.
22. Elphinstone Paharpur Mills Company, Limited ..	Messrs. Chamanlaley Limited & Co., Agents, 12-14, Outram Road, Bombay.
23. E. D. Sassoon United Mills, Limited (Alexandra Mill)	Messrs. E. D. Sassoon & Co., Ltd., 15, Dougall Road, Ballard Estate, Fort, Bombay.
24. E. D. Sassoon United Mills, Limited (E. D. Sassoon Mill).	
25. E. D. Sassoon United Mills, Limited (Jacob Sassoon Mill).	Messrs. E. D. Sassoon & Co., Ltd., 15, Dougall Road, Ballard Estate, Fort, Bombay.
26. E. D. Sassoon United Mills, Limited, Manchester Mills (formerly Hongkong Mills).	
27. E. D. Sassoon United Mills, Limited (Rachel Sassoon Mill).	
28. E. D. Sassoon United Mills, Limited (Turkey Red Dyeworks).	
29. Edward Sassoon Mills, Ltd.	Messrs. E. D. Sassoon & Co., Ltd., 15, Dougall Road, Ballard Estate, Bombay.
30. Elphinstone Spinning and Weaving Mills Co., Ltd. ..	Messrs. E. D. Sassoon & Co., Ltd., 15, Dougall Road, Ballard Estate, Bombay.
31. † Empress Edward Spinning and Manufacturing Co., Limited.	Messrs. L. D. Petit Sons & Co., 7-11, Elphinstone Circle, Fort, Bombay.
32. Fazulbhoy Mills, Ltd.	Messrs. Chamanlaley Limited & Co., Agents, 12-14, Outram Road, Bombay.
33. Finlay Mills, Ltd.	Messrs. James Finlay & Co., Ltd., Chartered Bank Building, Fort, Bombay.
34. Framjee Petit Spinning and Manufacturing Co., Ltd.	Messrs. Dinshaw Manockjee Petit & Co., Agents, Mandvi, Bombay.
35. Ghee Manufacturing Co., Ltd.	Messrs. Turner, Morrison & Co., Managing Agents, 16, Bank Street, Bombay.
36. Gold Mohur Mills, Ltd.	Messrs. James Finlay & Co., Ltd., Chartered Bank Bldgs., Fort, Bombay.
37. Hindoostan Spinning and Weaving Mills Co., Ltd. ..	Messrs. Lluckerbey, Scorpion & Watson and Brownrigg, 10, Apollo Street, Bombay.
38. Ismail Manufacturing Co., Ltd.	Messrs. Dadoosett Dinshaw & Co., 10, Apollo Street, Bombay.

Bombay Millowners' Associat

COTTON SPINNING AND WEAVING MILLS WORKING AND IN COURSE OF ERECTION IN INDIA ON 31st AUGUST 1927.

Cotton Mills in the Presidency of Bombay other than those in the Island of Bombay since 1895.

Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate Quantity of Cotton consumed.	
				Cots.	Bales of 392 lbs.
3	38,340	701	800	Not recorded.	
3	38,340	701	1,000	Do.	
3	38,340	701	1,000	Do.	
3	38,340	701	1,000	Do.	
3	38,340	701	1,000	Do.	
4	52,840	881	1,400	Do.	
4	52,840	881	1,400	Do.	
4	52,840	881	1,400	Do.	
4	52,844	896	1,803	28,471	7,863
4	67,979	996	1,974	30,886	8,739
6	1,33,464	856	2,145	Not recorded.	
6	1,47,152	640	2,986	Do.	
6	1,48,710	856	2,927	68,680	16,886
6	1,49,892	1,279	4,728	97,986	17,740
6	1,66,310	1,488	5,022	1,12,166	27,044
6	1,66,808	1,840	5,643	1,30,720	27,314
7	1,86,888	1,878	5,977	1,26,990	29,140
7	1,88,552	1,772	5,766	1,31,187	27,462
7	1,76,144	1,949	6,241	1,48,796	41,616
7	2,72,732	2,314	8,828	2,27,108	64,888
8	3,02,946	2,477	9,881	2,37,187	73,661
8	3,10,552	2,567	10,068	3,12,168	99,100
8	3,32,376	2,763	11,443	3,10,947	86,942
8	3,62,264	2,812	11,410	3,26,717	97,062
8	4,31,666	3,597	13,690	3,93,668	1,03,868
9	4,56,648	3,960	14,630	4,05,132	1,15,752
9	4,81,047	4,146	16,140	4,86,613	1,30,518
9	4,41,492	4,217	14,884	4,23,152	1,20,092
9	4,80,063	4,762	18,095	3,91,829	1,13,068
9	5,36,354	5,019	18,792	4,87,204	1,42,104
10	5,87,818	7,186	22,907	5,53,443	1,58,886
10	5,87,866	7,638	22,728	6,28,848	1,70,670
10	6,01,870	7,708	27,268	7,00,888	2,06,288
10	7,30,092	9,092	28,648	7,32,717	2,15,042
10	9,04,048	8,438	33,467	8,84,365	2,62,670
11	9,10,496	9,098	32,427	7,80,914	2,58,696
11	9,35,224	9,222	34,254	7,90,898	2,14,294
11	9,53,912	9,548	30,849	9,55,010	2,72,800
11	9,71,120	9,825	37,113	9,06,276	2,71,870
12	10,81,425	10,148	38,417	9,62,674	2,80,764
12	10,75,413	11,016	40,788	10,36,224	2,90,564
12	11,13,052	12,304	43,312	11,51,429	3,28,864
12	11,60,230	14,016	44,792	11,26,062	3,21,732
12	12,25,144	14,134	47,652	12,41,886	3,54,820
12	13,04,230	22,320	80,468	13,47,780	3,85,080
13	13,45,170	23,546	83,230	12,68,872	3,61,562
13	14,30,302	23,052	84,573	13,13,058	3,74,160
13	15,23,256	23,732	86,803	14,10,488	4,02,800
13	16,04,504	24,228	92,628	14,42,630	4,12,180
13	17,45,822	25,861	98,298	15,17,381	4,33,480
13	18,08,868	25,842	71,777	13,76,836	4,36,180
13	17,86,521	25,845	72,683	15,68,427	4,48,122
13	17,80,879	25,897	67,873	14,81,728	4,08,008
13	17,94,196	24,198	71,727	13,91,480	3,97,566
13	18,05,591	24,762	74,088	14,46,864	4,13,804
14	18,08,713	24,892	78,043	14,04,866	4,01,400
14	19,44,790	26,892	80,807	16,14,711	4,61,846
14	20,11,462	26,325	80,786	16,86,886	4,82,186
14	21,84,456	24,810	91,264	18,20,638	4,66,468
14	22,86,048	28,902	89,178	17,17,762	4,89,616
14	23,68,718	29,211	98,648	16,67,513	4,14,418
14	24,18,647	28,618	99,192	19,61,170	5,87,206
14	24,84,548	28,743	1,00,088	18,68,788	5,62,816

OWNERS Nos.	SITUATION OF MILLS.	CAPITAL. Number of Shares	Nominal value of each Share.	Amount paid on each Share.	Total amount of Capital paid up.	NUMBER OF SPINDLES. Main.	Ring.	Total.	Average No. of Spindles working daily.	Number of Looms.	Average No. of Looms working daily.	Approximate quantity of Cotton consumed during the year ending 31st August 1927.	Average Number of Hands employed daily.	REMARKS.
			Rs.	Rs.	Rs.									
	Tardeo	7,000	100	100	7,00,000	1,500	16,620	18,120		300	..	..	..	In liquidation. Not working since the beginning of 1926.
	Delisle Road	20,000	50	50	25,00,000	1,320	47,352	48,672	37,712	796	693	11,360	1,200	
	Simpson Mills Road, Lower Parel.	(Ord. 20,000 1st Pref. 50,000 2nd do. 1,50,000	5 10 5	5 10 5	1,75,000	22,432	10,976	33,408	32,112	800	537	9,582	1,677	
	Elphinstone Road, Parel.					19,080		19,080						Will be closed down on 31st Dec. 1927. Pro. 6 closed from 1st July 1927.
	Lower Parel	80,250	100	100	80,56,600	1,040	24,344	25,384	16,476	400	300	1,103	834	
	Kala Chowki Road, Chinchpogoly.	(Ord. 2,377 Pref. 1,02,223	300 100	300 100	23,40,779	1,232	32,492	33,624	32,256	792	754	3,612	1,822	
	Nargaum Road, Dadar ..					..	1,02,640	1,02,640	1,00,592	2,440	2,290	19,430	3,143	1,312 additional looms in course of erection in the Textile Mills.
	Elphinstone Road, Parel.	23,016	250	150	14,74,000	..	69,300	70,300	69,000	1,730	1,155	12,454	2,256	Toyo Boshoku Kaisha, Ltd. (formerly Diamond Spg. and Wvg. Co., Ltd.)
	Sewri Road, Lower Parel.	29,972	25	25	6,99,272	1,440	19,524	20,964	19,904	500	360	3,016	1,160	
	Sewri Road, Jacob Circle	(Ord. 4,000 Pref. 5,000	250 250	250 250	24,50,000	11,312	36,272	35,800	21,772	1,012	600	4,732	1,440	
	Elphinstone Road, Parel.	20,000	100	100	18,50,000	..	33,800	34,800	32,896	1,320	1,320	8,916	2,454	70 additional looms in course of erection.
	Victoria Dundee, Colaba	30,000	100	100	28,00,000	21,760	49,000	70,760	62,736	300	300	7,615	1,984	
	Currie (Thana District) ..	13,000	100	100	13,00,000	1,040	24,048	25,048	24,472	710	710	4,005	1,074	
	Ferguson Road, Parel ..	15,000	100	100	15,00,000	9,000	23,000	24,880	24,336	1,034	1,034	6,392	1,998	
	New Parikhdevi Road, Parel.	400	500	500	2,00,000	1,480	33,120	41,720	39,242	960	907	5,224	1,370	
	Delisle Road	8,640	250	250	22,00,000	17,344	19,400	86,824	61,102	1,030	1,014	10,382	2,362	
	Colvell Road, Parel ..	(Ord. 1,800 Pref. 4,000	500 250	500 250	13,00,000	..	41,184	41,184	23,836	..	..	6,760	1,112	
	Do. do. Sewri Road, Parel.	(New 6,000	250	250	15,00,000	17,460	24,344	41,804	36,042	1,112	1,072	9,536	2,230	
	Ferguson Road, Parel	3,400	250	250	8,50,000	1,500	31,000	32,500	31,272	..	..	7,008	1,600	
	Delisle Road, Parel. ..	8,600	250	250	20,00,000	18,170	32,704	57,880	56,961	1,054	1,043	9,324	1,882	
	Chinchpogoly Road, Chinchpogoly.					..	37,120	37,120	27,776	776	693	5,140	1,134	
	Do. Sewripatkhaj Road, Parel.					10,752	750	90,502	70,124	1,240	1,160	14,000	2,660	
	Chinchpogoly Cross Lane, Parel.	Authorized Pref. 1,00,000 Ord. Issued and Subscribed 80,00,000	100	100	1,00,00,000	2,632	89,360	91,992	91,992	2,160	2,160	17,832	4,952	
	Chinchpogoly Road ..					2,384	21,000	23,444	18,476	800	656	4,432	1,094	
	Lalbaug Road, Parel ..					..	720	1,360	1,360	..	..	..	320	
	Ferguson Road, Parel ..	8,500	500	500	77,00,000	23,432	16,152	42,408	42,408	912	912	7,380	2,000	
	Elphinstone Road, Parel.	30,000	100	100	30,00,000	14,000	33,050	49,000	36,068	704	688	7,256	2,184	
	Sassy Road, Managon ..	3,000	500	500	15,00,000	..	46,432	46,432	36,372	1,342	912	4,852	2,038	In liquidation. Not working since July 1927.
	Delisle Road, Parel ..	7,200	250	250	18,00,000	..	32,256	32,256	29,412	1,080	1,072	8,312	2,262	
	Government Gate Road, Parel.	40,000	100	100	40,00,000	..	48,072	48,072	44,840	824	824	7,696	2,011	
	Sassy Road, Managon ..	1,250	1,000	1,000	12,50,000	..	22,384	22,384	21,412	676	500	3,760	1,234	
	Delisle Road, Parel ..	10,000	100	100	10,00,000	1,008	28,096	29,104	26,832	732	732	6,052	1,427	
	Old Dadar Road, Dadar ..	25,000	100	100	25,00,000	..	47,472	47,472	46,608	1,032	1,020	8,592	2,072	
	Sewri Road, Byculla, Jacob's Circle.	1,200	1,000	1,000	12,00,000	2,564	30,080	42,080	41,193	1,130	1,130	9,268	1,614	
	Sewri Road, Jacob Circle.	1,200	1,000	1,000	9,00,000	..	41,360	41,360	38,188	872	872	6,492	1,628	

NAMES OF MILLS.	NAMES AND ADDRESSES OF AGENTS.
BOMBAY ISLAND—contd.	
71. Simplex Mills Co., Ltd.	Messrs. Allen Agents, Allen Estate, Parel.
72. Sir Shapoorji Broach Mills, Ltd. (Lalbaugh Mill)	Messrs. Jehan Agents, Jehangir Bomanji Estate, Parel.
73. Do. do. (Kurgaon Mills)	
74. Do. do. (New Kamptee Mill)	
75. Standard Mills Co., Ltd. (In Vol. Liquidation)	Standard Cotton Mills Secretary.
76. Swadeshi Mills Co., Ltd. No. 1	Messrs. Jehangir Bomanji Estate, Parel.
77. Do. do. No. 4 (formerly Bombay United Mills, Ltd.)	
78. Swan Mills, Ltd.	Messrs. James Chatfield &
79. Tata Mills, Ltd.	Messrs. Tata Henry &
80. Toyo Boshoku Kaisha, Ltd. (formerly Diamond Spg. and Wvg. Co., Ltd.)	Messrs. Toyo Spinning Agency Bombay, Parel.
81. Union Mills, Ltd.	Messrs. Cursetji, Framji Agency, Parel.
82. Victoria Mills, Ltd.	Messrs. Standen Treasurers, Agents, Bombay.
83. Western India Spinning and Manufacturing Co., Ltd.	Messrs. Agents, Bombay.
IN COURSE OF ERECTION.	
BOMBAY PRESIDENCY.	
1. † ‖ Dadabhai Nowrozji Mills Co., Ltd.	Messrs. Framji Framji & Co.
2. Jayashankar Mills, Surat, Ltd.	Messrs. Zaveri Bros., Surat.
3. † ‖ Kadi Laxmi Cotton Mills Co., Ltd.	Messrs. Parikh Ltd., Secretaries, Ahmedabad.
4. † ‖ Rahel S. & W. Mills Co., Ltd.	Messrs. Finlay, Agents.
5. Lokamanya Mills, Barsi, Ltd.	Messrs. Jhaveri &
6. † Maharashtra Mills, Barsi, Ltd.	Messrs. Jhaveri &
7. Monogram Mills Co., Ltd.	Messrs. Manilal Nanabhai & Ahmedabad.
8. † Shivaji Udyog Mills, Ltd.	Messrs. M. A. Chatfield &
9. † Shree Bhawani Maratha Mills & Electric Supply Co., Barsi, Ltd.	Messrs. Manilal Nanabhai & Ahmedabad.
10. † Umreth Weaving and Manufacturing Co., Ltd. ..	Messrs. Parikh & Agents, Ahmedabad.
11. † United Silk & Cotton Manufacturing Co., Ltd. ..	Messrs. Thomas & Agents, Bombay.
BENGAL PRESIDENCY.	
1. † Bikrampur Mills	Messrs. Jardine Agents, Jardine, Skinner & Co.
2. † Mahalaxmi Cotton Mills, Ltd.	Messrs. Lloyd Agents, Agents.
PUNJAB.	
1. † Hariana Cotton Mills	The Hariana Agents, Jullundur.
CENTRAL INDIA.	
1. ‖ Gwalior Spinning & Weaving Mills Co., Ltd. ..	Messrs. Joshi & Agents, Jathia &
2. † Hadian Bombay United Spg. & Wvg. Co., Ltd. ..	Messrs. Jamsetji Tramway Building, Bombay.
UNITED PROVINCES OF AGRA AND OUDH.	
1. † The Ganges Weaving and Knitting Mills Co., Ltd.	Messrs. Varma & Office on the Premises, Cawnpore.
2. ‖ Narayan Cotton Mills (formerly Carmen Cotton Mills)	Messrs. H. Jardine & Agents, Cawnpore.

tion.

Progress of Bombay Mills in the Island and the Presidency during the past 58 years.

Years ending 30th June.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed.	
					Cwts.	Bales of 392 lbs.
1865 ..	13	7,88,824	3,579	7,337	Not recorded.	
1866 ..	13	3,08,011	3,451	7,725	Do.	Do.
1867 ..	13	3,13,392	3,771	8,630	Do.	Do.
1868 ..	13	3,18,180	3,841	8,715	Do.	Do.
1869 ..	13	3,21,414	3,929	8,867	Do.	Do.
1870 ..	14	3,43,440	4,441	9,803	Do.	Do.
1871 ..	14	3,58,436	4,642	9,983	Do.	Do.
1872 ..	15	3,67,636	4,885	10,216	Do.	Do.
1873 ..	18	4,80,180	4,872	12,217	2,62,224	74,864
1874 ..	19	5,24,530	6,068	13,323	3,18,681	91,205
1875 ..	38	8,80,696	8,839	18,006	Not recorded.	
1876 ..	39	9,63,968	8,681	..	Do.	Do.
1877 ..	41	10,43,044	9,592	24,174	6,59,200	1,78,629
1878 ..	42	11,04,646	11,344	30,870	8,12,148	2,32,614
1879 ..	42	11,47,310	12,311	34,482	7,44,064	2,12,744
1880 ..	42	11,54,184	12,896	35,000	9,01,978	2,57,708
1881 ..	42	11,58,152	13,216	37,020	11,81,762	3,11,958
1882 ..	49	12,37,836	13,046	37,307	11,02,246	3,14,927
1883 ..	51	13,45,042	13,616	40,977	12,39,817	3,54,233
1884 ..	60	13,74,498	14,596	44,866	14,48,509	4,13,859
1885 ..	68	14,80,636	14,868	51,426	16,30,995	4,66,000
1886 ..	70	18,94,797	14,855	54,178	18,81,204	4,80,344
1887 ..	70	17,79,720	14,861	54,718	18,06,800	5,42,450
1888 ..	82	18,20,368	15,804	59,188	20,88,781	5,97,080
1889 ..	82	19,20,016	16,477	61,598	23,30,963	6,67,132
1890 ..	94	23,30,728	17,731	72,209	28,31,251	7,91,890
1891 ..	91	23,60,170	18,493	78,121	31,25,760	8,89,602
1892 ..	96	25,80,178	18,117	79,661	28,72,215	8,40,440
1893 ..	98	24,90,211	21,425	83,905	29,80,436	8,87,550
1894 ..	99	25,62,726	24,284	89,315	30,54,606	9,72,702
1895 ..	102	27,06,710	27,406	97,747	34,08,822	9,74,092
1896 ..	107	27,74,129	28,873	1,02,180	36,07,718	10,59,849
1897 ..	122	28,49,395	28,993	96,815	31,69,584	9,03,054
1898 ..	133	29,63,844	29,446	99,274	36,12,866	10,32,390
1899 ..	134	33,14,969	30,847	1,10,636	42,12,145	12,03,470
1900 ..	136	34,47,371	30,963	1,06,401	33,96,713	9,70,489
1901 ..	135	33,66,320	31,626	1,16,616	41,85,182	9,10,052
1902 ..	134	34,77,661	32,394	1,22,796	44,10,833	12,60,238
1903 ..	134	35,04,502	32,986	1,24,026	44,02,076	12,57,736
1904 ..	134	35,65,655	34,585	1,28,320	43,87,243	12,53,498
1905 ..	140	36,36,329	39,088	1,33,078	47,88,868	13,68,248
1906 ..	154	37,29,376	41,312	1,44,110	51,45,903	14,70,230
1907 ..	171	38,02,715	40,962	1,42,854	50,71,187	14,49,196
1908 ..	171	41,19,828	45,101	1,54,215	50,19,070	14,34,020
1909 ..	185	43,04,573	47,484	1,62,138	51,93,230	14,83,780
1910 ..	187	43,69,224	49,471	1,59,901	47,09,778	13,45,650
1911 ..	182	43,39,972	47,680	1,60,679	48,56,100	13,87,460
1912 ..	182	43,38,710	60,121	1,66,494	51,82,149	14,80,614
1913 ..	184	46,10,317	73,431	1,91,841	61,94,808	17,70,137
1914* ..	183	47,84,094	82,436	1,76,186	52,90,334	15,11,524
1915* ..	184	48,03,802	85,308	1,83,201	51,17,005	14,62,230
1916* ..	184	47,80,066	84,181	1,80,386	54,05,108	15,44,316
1917* ..	177	47,14,734	81,318	1,93,086	54,03,387	19,43,882
1918* ..	178	47,08,838	83,860	1,90,748	50,90,728	14,54,208
1919* ..	178	48,04,603	86,647	2,03,367	49,45,310	14,12,080
1920* ..	178	47,32,048	86,616	2,18,231	47,84,925	13,58,550
1921* ..	181	48,50,244	89,955	2,38,547	53,26,804	15,21,944
1922* ..	182	48,70,338	91,838	2,44,916	54,39,573	15,54,164
1923* ..	182	50,40,561	1,01,665	2,40,977	53,34,768	15,24,510
1924* ..	182	51,31,611	1,02,882	2,41,588	55,00,691	15,71,626
1925* ..	186	52,54,911	1,08,718	2,46,504	57,83,772	15,09,650
1926* ..	189	54,21,643	1,13,109	2,48,881	48,73,875	13,92,536
1927* ..	211	51,06,251	1,07,720	2,57,188	54,09,858	15,45,674

* Year ending 31st August.

Cotton Spinning and Weaving Mills Working and in course of Erection in India on the 31st August, 1927*

Where situated.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed.	
					Cwts.	Bales of 392 lbs.
Bombay Island(a) ..	83	3,466,806	74,345	154,398	3,480,700	994,500
Bombay Presidency (a) ..	117	4,204,185	43,643	103,666	1,668,783	569,510
Bombay Presidency (b) ..	11	34,364	..	1,000	..	..
Total ..	211	5,603,355	122,368	259,458	5,149,483	1,557,009
Rajputana ..	3	57,228	964	2,160	36,540	10,440
Berar (c) ..	3	64,364	1,000	2,146	45,325	13,029
Central Provinces ..	8	297,011	5,727	19,133	401,380	114,680
Hyderabad (Deccan Territory) (d) ..	5	95,368	1,587	4,385	73,535	21,039
Central India (e) ..	8	239,514	5,305	13,963	293,223	83,808
Bengal Presidency and Assam (f) ..	18	341,901	9,213	13,015	342,335	98,838
Punjab (g) ..	9	141,316	2,056	3,602	141,415	40,690
United Provinces of Agra and Oudh (h) ..	26	648,177	8,256	23,841	752,660	214,760
Madras Presidency (i) ..	27	699,070	4,602	30,116	690,333	197,238
Mysore (k) ..	2	228,470	1,800	7,236	218,420	56,700
Pondicherry ..	1	70,550	1,840	4,756	65,891	18,826
Portuguese (l) ..	1	9,000	..	..	..	..
Total ..	316	8,704,360	161,352	384,604	8,760,940	2,477,418

* The three 200 mills are working ; 16 mills are closed ; and 24 mills are in course of erection.

(a) 11 mills are working and 1 mill in course of erection.
(b) 10 mills are working and 1 mill in course of erection. (c) 1 mill not working. (d) 1 mill not working and 1 mill in course of erection. (e) 1 mill not working and 1 mill in course of erection. (f) 1 mill not working and 1 mill in course of erection. (g) 1 mill not working and 1 mill in course of erection. (h) 1 mill not working. (i) 1 mill not working.

Add :—For period closed on account of strikes 1,000,000

Progress of Indian Mills during the past 58 years.

Year ending 30th June.	Number of Mills.	Number of Spindles.	Number of Looms.	Average No. of Hands employed daily.	Approximate quantity of Cotton consumed.	
					Cwts.	Bales of 392 lbs.
1870 ..	43	11,50,112	9,336	Not obtained authentically.		
1871 ..	51	12,41,596	10,868	Do.	Do.	
1872 ..	53	12,89,760	10,939	Do.	Do.	
1873 ..	56	14,42,796	12,018	42,914	9,80,847	2,67,585
1874 ..	60	14,61,800	11,802	44,414	10,26,766	3,07,691
1875 ..	62	15,17,096	12,707	46,480	13,26,463	3,78,989
1876 ..	58	15,20,616	14,172	48,667	13,06,457	3,67,302
1877 ..	67	17,90,588	15,733	53,470	13,97,986	4,56,605
1878 ..	79	20,01,067	16,925	60,257	18,04,772	5,51,365
1879 ..	87	21,48,040	18,837	67,186	20,59,032	5,99,749
1880 ..	91	22,91,805	17,435	74,388	22,81,214	6,43,264
1881 ..	94	24,21,280	18,580	76,942	23,41,366	7,36,276
1882 ..	114	28,88,881	21,696	82,370	27,84,437	7,86,062
1883 ..	124	27,42,816	21,561	91,686	31,30,286	8,80,464
1884 ..	137	32,74,186	23,412	1,02,713	33,29,617	10,08,462
1885 ..	134	33,51,594	24,621	1,11,016	41,26,113	11,78,604
1886 ..	130	34,02,232	23,444	1,16,140	40,80,785	11,65,938
1887 ..	141	38,73,978	28,166	1,31,806	46,58,852	12,71,204
1888 ..	142	39,49,736	31,154	1,30,401	45,78,776	12,72,800
1889 ..	148	39,09,929	33,332	1,39,668	49,16,999	13,41,714
1890 ..	155	39,32,940	32,270	1,45,432	49,32,812	14,09,318
1891 ..	153	40,61,618	37,594	1,48,324	43,52,778	12,43,651
1892 ..	185	45,60,230	39,618	1,48,904	51,84,648	14,81,328
1893 ..	188	47,78,333	39,069	1,62,196	58,63,168	16,75,190
1894 ..	193	48,45,789	44,436	1,68,850	59,46,339	16,98,382
1895 ..	190	50,06,936	45,180	1,72,882	47,31,090	13,51,740
1896 ..	192	50,66,995	47,804	1,81,031	61,77,656	17,65,190
1897 ..	192	50,43,297	44,092	1,81,366	60,87,686	17,39,340
1898 ..	191	51,13,121	45,837	1,84,776	61,06,681	17,44,760
1899 ..	197	51,83,430	50,139	1,90,277	63,77,354	18,79,144
1900 ..	195	52,79,805	52,696	1,91,616	70,82,866	20,23,818
1901 ..	224	53,83,278	58,436	2,05,690	68,30,308	18,90,170
1902 ..	223	57,50,270	62,926	2,21,180	69,52,230	19,86,920
1903 ..	222	58,53,181	64,906	2,24,586	70,82,988	20,23,680
1904 ..	222	61,36,471	67,723	2,32,024	67,72,338	19,35,010
1905 ..	228	63,57,402	69,841	2,40,151	69,70,870	19,91,668
1906 ..	248	64,03,928	68,961	2,45,657	71,38,367	20,39,552
1907 ..	271	68,06,962	74,186	2,55,790	73,36,068	20,96,016
1908 ..	271	67,74,695	1,04,179	2,60,276	73,06,841	21,43,120
1909 ..	271	68,48,741	1,06,009	2,68,948	76,39,218	21,82,632
1910 ..	286	69,39,877	1,10,208	2,74,361	78,92,618	21,97,718
1911 ..	283	69,72,987	1,14,611	2,81,771	79,60,854	21,86,184
1912 ..	282	70,83,831	1,14,644	2,92,227	72,09,678	20,80,674
1913 ..	286	69,99,061	1,15,021	2,93,277	71,54,808	20,44,230
1914 ..	283	67,03,076	1,11,117	2,86,813	68,81,113	19,51,318
1915 ..	287	68,70,804	1,23,768	3,02,178	74,70,805	21,20,230
1916 ..	286	71,31,219	1,24,652	3,03,775	72,12,886	20,62,824
1917 ..	283	72,27,834	1,24,594	3,47,886	75,39,943	21,51,698
1918 ..	280	71,71,731	1,21,165	3,50,967	72,21,116	19,17,748
1919 ..	287	68,18,835	1,24,302	3,97,477	72,87,088	22,36,310
1920 ..	291	67,14,186	1,22,804	4,13,826	70,46,644	21,13,484
1921 ..	296	67,87,144	1,21,867	3,94,623	80,80,642	24,17,452

* Year ending 31st August.

* Former mill destroyed by fire.

* Year ending 31st August.

AGENTS OR OWNERS. OFFICE ADDRESSES.	SITUATION OF MILLS	CAPITAL.			NUMBER OF SHUTTLES.		Actual number of Spindles working during the year.	Actual number of Looms working during the year.	Actual quantity of Cotton consumed during the year in candies of 784 lbs.	Average number of Hands employed daily.	REMARKS.
		Number of Shares.	Nominal value of each Share.	Amount paid on each Share.	Total amount of Capital paid up.						
			Rs.	Rs.	Rs.						
	Total brought forward ..				17,13,76,282	3,00,304	2,59,810	10,37,160	24,87,000	61,840	35,320	4,88,335	1,30,150	
Bara. & Co. (India), Ltd., Commerce House, Ballard Bombay.	Clerk Road, Jacob's Circle, Byculla.	9,000	250	250	22,50,000	..	..	37,200	37,800	34,320	1,496	1,292	6,130	1,581	
Mahadeo Gavalkas & Co., Dalal Street, Chembrapooly,	DeLisle Road.	Ord. 50,000 Pref. 15,000 New 2,500	100 100 100	100 100 100	72,50,000	1,875	93,412	97,184	89,811	697	641	10,134	4,090	
Vishbadevi, Esq., Legislator, Bombay.	Vishbadevi Road, Lower Mahim.	2,400	500	500	12,00,000	3,960	40,272	44,232	43,560	2,178	1,477	8,870	3,396	In voi. liquidation.
Wadia Sons, Ltd., Agents, Wadia House, 14, Bruce Road, Bombay.	Charni Road, Girgaum	20,000	100	100	20,00,000	..	03,464	03,464	59,330	1,077	1,033	10,093	3,493	
						6,024	34,191	40,215	34,491	1,056	1,049	5,000	1,730	
Wallace Finlay & Co., Ltd., Agents, Messrs Buchhaus, Fort, Bombay.	Sewree.	24,000	100	100	24,00,000	3,900	24,620	28,520	28,520	864	601	6,483	1,846	
Wallace Sons, Ltd., Agents, Bombay House, Fort, Bombay.	Dastur Road.	Pref. 6,975 Ord. 6,000	500 100	500 100	64,87,500	..	63,448	63,448	58,564	1,200	1,200	10,437	3,438	
Walchand Nemchand & Co., Ltd., Shankla Mansion, Dalal Street, Fort, Bombay.	DeLisle Road.	20,000	100	100	20,00,000	..	31,992	31,992	29,333	736	427	6,434	937	
Walchand Hirachand, Esq., Walchand Nagar, Ritab Mahal, 192, Hornby Road, Bombay.														
Wallace & Co., Ltd., Secretaries and Agents, 59, Forbes Street, Bombay.	DeLisle Road.	2,000	250	250	5,00,000	3,480	31,696	35,176	34,715	885	861	5,265	1,761	
Walchand Hirachand & Co., Secretaries and Agents, Walchand Mansion, Fort, Bombay.	Sandhurst Road.	8,000	100	100	8,00,000	..	18,880	18,880	18,420	330	330	6,603	936	
Walchand Hirachand Sons & Co., Secretaries and Treasurers, Forbes Street, Fort, Bombay.	Kalachowki Road. Chinchpooly.	1,200	1,000	1,000	12,00,000	5,208	30,552	45,360	41,592	977	953	5,274	1,749	
			Total ..		19,75,77,282	4,15,848	36,30,958	34,66,816	30,15,132	74,54	69,684	4,67,230	1,34,396	
Walchand Roy, & Co., Khadia Street, Ahmedabad.	Dudgam (Baroda State)	2,700	100	50	33,750	..	..	..	..	..	..	..	..	
Walchand Piroosha & Co., Secretaries and Agents, Kirana Bazar.	Barsi Town ..	20,000	100	50	10,00,000	..	..	..	..	..	..	..	..	
Walchand Rajabhai & Co., Secretaries, Treasurers and Agents, Walchand Mansion, Hornby Road, Bombay.	Kadi, Baroda State	12,000	100	50	.....	..	13,500	13,500	..	..	..	..	..	
Walchand Manekchand & Co., Agents, Walchand Mansion, Hornby Road, Bombay.	Kalol, N. Gujarat	12,000	100	75	7,500	..	9,864	9,864	..	..	..	..	..	
Walchand & Co., Agents, Barsi ..	Barsi Town ..	10,000	125	..	.....	..	5,000	5,000	..	..	..	..	..	
Walchand & Co., Secretaries & Agents, Walchand Mansion, Hornby Road, Bombay.	Barsi ..	14,000	50	..	.....	..	..	..	..	..	..	..	..	
Walchand & Co., Secretaries & Agents, Walchand Mansion, Hornby Road, Bombay.	Walchand Gunrtji or, Ahmedabad.	13,000	100	100	1,30,000	..	..	..	..	..	..	..	..	
Walchand & Co. Managing Agents, Walchand Mansion, Hornby Road, Bombay.	.....	.....	..	..	.....	..	..	..	..	..	..	..	..	
Walchand Manekchand Parikh, Shahapur	Barsi Town ..	10,000	100	..	34,000	..	..	..	..	..	..	..	..	
Walchand & Co., Managing Agents, Walchand Mansion, Hornby Road, Bombay.	Umreth (Station Road) ..	2,800	125	75	81,050	..	..	..	..	..	..	..	..	
Walchand & Co., Secretaries, Treasurers and Agents, Walchand Mansion, Hornby Road, Bombay.	Dharangaon, East Khandesh.	1,100 6,725	25 100	25 100	4,02,343	..	..	..	..	..	..	..	..	
			Total ..		17,69,533	..	31,364	31,364	..	..	..	..	..	
Walchand & Co., Managing Agents, Hangal Bazar, Dharwar.	Dharwar	.....	..	..	.....	..	..	..	..	..	..	..	..	
Walchand & Co., Managing Agents, Harrison Road, Calcutta.	Palta, E. B. Railway, near Calcutta.	.....	..	..	.....	..	..	..	..	..	..	..	..	
			Total ..		.....	..	..	..	..	..	..	..	..	
Walchand & Co., Trading Co., Managing Agents, Canning Street, Calcutta.	Shirwani, Hissar ..	1,20,000	10	10	8,18,460	..	10,000	10,000	..	30	..	..	..	
			Total ..		8,18,460	..	10,000	10,000	..	30	..	..	..	
Walchand & Co., Agent, Patankar's Bazar, Messrs. Gwalior House, Gwalior.	Near Morar Road, Gwalior Station.	3,625	100	75	2,17,250	..	..	..	..	83	..	..	..	
Walchand Sons & Co. Secretaries and Agents, and Floor, Kirti Chambers Street, Fort, Bombay.	Ratlam (C. India) ..	7,557	100	100	7,55,700	..	..	..	..	475	..	..	..	
			Total ..		9,73,150	..	..	..	..	558	..	..	..	
Walchand Brothers, Managing Agents, Walchand Mansion, Hornby Road, Bombay.	Bizar	30,000	10	5	10,000	..	..	..	..	..	..	..	..	
Walchand & Co., Proprietors, P.O. Sangli.	Sawpora	.....	..	..	.....	..	..	..	..	..	..	..	..	
			Total ..		10,000	..	..	..	..	..	..	..	..	

39.	Jam Manufacturing Co., Ltd.	Messrs. Walpoe Banking & Co., Secretaries, Treasurers and Agents, 4, Dalal Street, Fort, Bombay.	Kaling, Parel	Ord.	2,400	100	100	12,000	..	3,714	3,114	3,677	918	912	2,015	1,021				
40.	Jamshed Manufacturing Co., Ltd.	Messrs. Hormusji Ardeshir & Son, Agents, Commissariat Building, Hornby Road, Fort, Bombay.	Ferguson Road, Lower Parel.	Ord. Ltd. Pref.	3,664 10,000 4,068	230 .. 100	230 .. 100	13,32,100	1,368	29,000	30,076	28,309	690	441	3,303	1,328				
41.	† Jivraj Balloo Spinning and Weaving Co., Ltd. ..	Messrs. Abdoolabhoy Joomadoy Lalljee & Co., Agents, Sweter Road, Grant Road, Bombay.	Tardeo	Whole	900	1,000	1,000	11,00,000	13,200	20,310	33,510	..	663	..	..	..	[In vol. liquidation. Mill not working since Aug. 1923.			
42.	Jubilee Mills, Ltd.	Messrs. Mangaldas Mohta & Co., Secretaries Treasurers and Agents, Mahavir Mansion Apollo Street, Fort, Bombay.	New Sewree Road	Quarter Ord.	800 10,000	250 100	250 100	15,00,000	..	28,738	18,750	28,012	450	441	2,771	999				
43.	Kastoorchand Mills Co., Ltd. (Kastoorchand Mill) ..	Messrs. Currimbhoy Ebrahim and Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	Waterpipe Road, Dadar.	Pref.	5,000	100	100		16,938	18,370	35,314	25,348	913	912	4,298	1,939				
44.	Do. do. do. (Imperial Mill) ..		Haines Road, Mahalaxmi.		1,40,000	50	50	69,74,875	..	47,460	47,460	39,009	..	..	3,300	1,341				
45.	Khatau Makanji Spinning and Weaving Co., Ltd. (including Bleaching, Dyeing & Finishing Works).	Messrs. Khatau Makanji & Co., Agents, Laxmi Buildings, 42, Dalhousie Flat, Fort, Bombay.	Haines Road, Byculla ..	Ord. Pref.	20,000 10,000	100 100	100 100	19,95,000 10,00,000	..	56,844	56,844	37,458	3,312	1,470	5,443	2,033	[In vol. liquidation. Not working since September, 1927.			
46.	Kilachand Mills, Ltd. (formerly Coronation Mill) ..	Messrs. Kilachand Devchand & Co., Ltd., Agents, Allahabad Bank Bldg., Apollo Street, Fort, Bombay.	Haines Road, Mahalaxmi.		1,59,424	25	25	40,53,443	12,022	31,224	43,840	36,407	..	..	4,020	1,224				
47.	Kohinoor Mills, Co., Ltd.	Messrs. Killick, Nixon & Co., Agents, Killick Buildings, Home Street, Fort, Bombay.	Saigaum Cross Road, Dadar.		20,000	100	100	20,00,000	26,188	49,612	69,800	64,832	1,443	1,348	8,548	2,685				
48.	Madhorao Scindia Mill Ltd. (formerly Sun Mills Limited).	Messrs. Currimbhoy Ebrahim and Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	Sun Mill Road, Lower Parel.	Pref. Ord.	20,000 18,000	100	100	37,00,000	4,548	39,604	43,052	28,320	604	604	4,905	1,439				
49.	Madhowji Dharamsi Manufacturing Co., Ltd. ..	Messrs. Gocouldas Madhavjee Sons & Co., Agents, Foras Road, Bombay, No. 2.	Foras Road, Tardeo ..	Ord. Pref.	13,500 2,700	100 250	100 250	13,50,000 9,73,000	1,936	35,516	37,452	36,700	903	891	7,300	2,273				
50.	[Petit Mill] Manockjee Petit Manufacturing Co., Ltd. (Manockji).	Messrs. D. M. Petit, Sons & Co., Agents,	Tardeo						..	68,996	68,996	52,894	2,313	1,968	10,885	4,365				
51.	Do. do. (Dinshaw Petit Mills) ..	339, Hornby Road, Fort, Bombay.	Parel, Lalbagh ..		8,093	1,000	1,000	5,09,500	..	41,996	41,996	30,861	2,220	2,067	5,772	2,413				
52.	Do. do. (Bomanjee Petit Mills) ..		Mahalaxmi ..						..	42,368	42,368	34,633	1,430	1,185	5,422	2,356				
53.	Mathradas Mills, Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	DeLisle Road ..		4,800	500	500	24,00,000	3,314	40,212	43,596	34,091	947	920	5,899	1,579				
54.	Meyer Sassoon Mills, Ltd.	Messrs. E. D. Sassoon & Co., Ltd., Agents, 15, Dongall Road, Ballard Estate, Fort, Bombay.	Ferguson Road, Lower Parel.		10,000	100	100	10,00,000	10,848	30,384	41,232	40,131	1,038	1,013	7,201	2,095				
55.	Moon Mills, Ltd.	Messrs. F. A. Hormasji & Co., Agents, 70, Forbes Street, Hanspart Arw, Fort, Bombay.	Sewree New Road ..		1,000	250	250	2,50,000	7,582	25,200	32,782	29,000	756	733	5,380	1,468	375 additional looms in course of erection.			
56.	Morarji Gocouldas Spinning and Weaving Co., Ltd. ..	Messrs. Morarjee Gocouldas & Co., Secretaries Treasurers and Agents, Sodawa House, 31, Sprott Road, Ballard Estate, Bombay.	Suparibaug Road, Parel ..		1,150	1,000	1,000	11,50,000	..	82,928	82,928	73,878	1,617	1,603	12,190	4,384				
57.	New China Mills, Ltd. (formerly China Mill)	Mr. Framjeebhai Mafatlal, Managing Director, 19, Churchgate St., Fort, Bombay.	Sewree		3,500	1,000	1,000	13,25,000	33,032	13,032	46,064	20,000	280	280	3,750	700				
58.	New City of Bombay Manufacturing Co., Ltd. ..	Messrs. W. H. Brady & Co., Ltd., Agents, Royal Insurance Buildings, 12/14, Churchgate Street, Fort, Bombay.	Albert Road, Chinchpoogly.		6,000	100	100	6,00,000	..	43,125	43,125	33,977	..	..	6,090	1,319				
59.	New Great Eastern Spinning and Weaving Co., Ltd. ..	Messrs. W. H. Brady & Co., Ltd., Secretaries and Agents, Royal Insurance Buildings, 12/14, Churchgate St., Fort, Bombay.	Parel Road, Chinchpoogly.	Ord. Pref.	7,500 4,000	200 200	200 200	15,00,000 8,00,000	14,520	35,148	49,668	47,810	1,058	1,039	8,720	2,090				
60.	New Islam Mills	Mr. Mafatlal Gagalbhai, Lessee, 19, Churchgate Street, Fort, Bombay.	Suparibaug Road, Parel ..	....		..	..	....	2,048	17,604	19,652	19,403	500	521	2,621	960				
61.	New Kaiser-i-Hind Spinning & Weaving Co., Ltd. ..	Messrs. Vissanjee Monjee & Co., Agents, 152, Elphinstone Circle, Fort, Bombay.	Sorapjee Road, Chinchpoogly.		1,500	500	500	9,00,000	930	40,008	40,044	39,612	1,012	1,008	4,769	1,899				
62.	Pearl Mills, Ltd.	Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12/14, Outram Road, Fort, Bombay.	DeLisle Road, Parel ..		8,000	250	250	19,97,000	..	53,820	53,820	51,800	1,760	1,731	8,532	2,703				
63.	Phoenix Mills, Ltd. (formerly Britannia Mills) ..	Messrs. Rannersain Harnandrai & Sons, Agents, 143, Esplanade Road, Fort, Bombay.	Ferguson Road, Lower Parel.		8,000	100	100	8,00,000	14,192	36,784	50,976	48,273	696	660	9,761	2,214				
64.	Prabhat Mills, Ltd. (formerly Planet Mills)	Messrs. Purtapgir Narsingji & Co., Agents Gresham Building, Esplanade Road, Fort, Bombay.	Do. do. ..		17,010	100	100	17,01,000	2,480	29,100	31,580	29,471	929	783	5,422	1,846				
65.	Premier Mills, Ltd.	Messrs. Currimbhoy Ebrahim and Sons, Ltd., Agents, 12-14, Outram Road, Bombay.	Do.		2,00,000	10	10	19,09,705	..	14,825	14,825	13,324	432	430	1,293	1,246				
66.	Presidency Mills Co., Ltd.	Messrs. Nagarji Magaldas & Co., Agents, 19, Bank Street, Fort, Bombay.	Do. do. ..		9,600	125	125	12,00,000	1,140	31,484	32,624	29,544	840	832	4,043	1,636				
67.	Raja Bahadur Motilal Bombay Mills, Ltd. (formerly Raja Bahadur Motilal Pitty Mills).	Messrs. Govindlal & Co. Managing Agents, 56/64, Custom House Road, Fort, Bombay.	Tardeo		15,210	100	100	15,21,000	..	18,008	18,008	..	..	..	..	..	Mill closed from February, 1923.			
68.	Ruby Mills, Ltd. (formerly Sorab Mills)	Messrs. Hormusji & Co., Agents, Commissariat Building, Hornby Road, Fort, Bombay.	Woollen Mill Gully, Lady Jamsetji Road, Dadar.		12,000	100	100	12,00,000	..	13,152	13,152	12,441	365	310	4,837	1,150				
69.	Sassoon Spinning and Weaving Co., Ltd.	Messrs. David Sassoon & Co., Ltd., Agents 59, Forbes Street, Fort, Bombay.	Mount Estate Managon ..		22,500	100	100	22,50,000	2,224	58,016	60,240	48,057	1,234	1,129	9,514	2,501				
70.	† Shree Laxmi Mills (formerly Wadjee Dharamsey Mill).	Messrs. Lowjee Maghjee & Co., Proprietors, Sobrah House, Hornby Road, Fort, Bombay.	Sewri Cross, Road.. ..	....		..	..	....	1,880	4,264	6,144	6,144	..	..	1,879	189				
			Total Carried forward ..					17,12,80,285	3,90,304	25,00,802	29,51,106	24,07,909	52,890	48,326	4,20,333	1,30,288				

MADRAS PRESIDENCY.

1.	† Kantimati Mills, Ltd.	Messrs. Sassa
2.	Madura Sourashtra Sri Ram Mills Co., Ltd. ..	Mr. M. S. Ma dator, East
3.	Mahalakshmi Textile Mills, Ltd.	Messrs. S. S. Co., Mg. Ag
4.	† Sree Kaleeswarar Weaving Co., Ltd. ..	Messrs. A. L Agents, S
5.	† Sundareswarar Textile Mills, Ltd.	Messrs. Jai Nainad I
6.	† Surya Textile Mills & Industrial Co... ..	Messrs. Kutt ing Agents

† Statement not received. Figure

wati & Co., Ltd., Office on s.	Tinnevelly		2,700		500	....	..	50,000	50,000	..	..	..	..	..	
li, Provisional Official Liqui- Murret Street, Madura.	Kalyanapuram, Town.	Madura	6,000		100	5,21,600	..	6,000	6,000	..	..	..	..	..	In liquidation.
N. Lakshmanan Chettiar & nts.	.....		....		..	....	..	..	..	..	..	..	..	..	
Dennis & Co., Managing Moor Street, Madras.	Madura		3,000		..	....	..	..	..	..	..	..	..	..	
iram & Co., Ltd., No. 261, ad, Madura.	Madura		....	..	..	....	..	..	..	..	..	..	..	..	
n Shaw Akella & Co., Manag- Coconada.	Coconada		....	..	..	....	..	..	..	..	..	..	..	..	
					Total ..	5,21,600	..	56,000	56,000	..	..	..	..	..	

taken from last year's statement. § Native State. ‡ Proprietary Concerns

G. CLARIDGE & Co., LTD., BOMBAY.

BOMBAY MILLOWNERS' ASSO

MILL STATEMENT FOR 31st AUGUST

SECOND PART.

NAMES OF MILLS.	NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESS.	SITUATION OF MILL.	CAPITAL. Number of Shares.	CAPITAL. Nominal value of each Share.	CAPITAL. Amount paid on each Share.	CAPITAL. Total Amount of Capital paid up.	NUMBER OF SPINDLES. Mule.	Ring.	Total.	Average Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of cotton consumed during the year in candies of 784 lbs.	Average Number of Hands employed daily.	Remarks	NAMES OF MILLS.
BOMBAY PRESIDENCY (Other than those in the Island of Bombay.)				Rs.	Rs.	Rs.										**KAIRA DISTRICT.**
1. Ahmedabad Advance Mills, Ltd.	Messrs. Tata Sons, Ltd., Agents, Bombay House, 24, Bruce Road, Fort, Bombay.	Shahi-Bag Road, outside Delhi Gate, Ahmedabad.	10,000	100	100	10,00,000	...	30,612	30,612	29,840	600	560	1,164	1,231		1. Edward Mills, Ltd.
2. Ahmedabad Astodia Manufacturing Co., Ltd.	Messrs. Ewart Contractor Amratlal & Co., Agents, Office on Mill premises.	Outside Astodia Gate, Ahmedabad.	5,050	100	100	5,05,000	...	16,384	16,384	13,550	...	...	1,156	438		2. Krishna Mills, Ltd.
3. Ahmedabad Cotton and Waste Mfg. Co., Ltd.	Messrs. Dhirajlal Chemical & Brass, Secs. Trust & Agts., Ratnaprapa, Fort, No. 1, Ahmedabad.	Dudheshwar Road, Ahmedabad.	A 12,000 B 1,608	12-8-0 125	12-8-0 125	2,50,000 2,41,000	1,050	21,384	22,434	21,060	...	...	1,968	811		3. Mahalakshmi Mills Co., Ltd. ..
4. Ahmedabad Cotton Manufacturing Co., Ltd.	Messrs. Amratlal Dhanabhai & Co., Agents, Office on Mill premises.	Outside Saraspur Gate, Ahmedabad.	500	1,000	1,000	5,00,000	...	20,800	20,800	20,320	580	573	3,230	1,196		4. ‡ Maharajah Krishnajirh Bunyag Mills Co., Ltd.
5. Ahmedabad Fine Spinning and Weaving Co., Ltd.	Messrs. Harakhal Jaiwantlal and Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.	380	500	500	1,80,000	...	...	...	...	140	110	...	281		5. New Weaving and Trading Co., Ltd. .. (Transferred to Kaira)
6. Ahmedabad Ginning and Manufacturing Co., Ltd.	Messrs. Mathuradas Ranchodlal & Co., Agents, Office on Mill premises.	Railway Suburb, Ahmedabad.	10,500	100	100	10,50,000	...	25,320	25,320	24,780	1,760	1,640	7,350	3,048		**BERAR.**
7. Ahmedabad Industrial Mills Co., Ltd.	Messrs. Kasibai Lalbhai Mehta & Co., Agents, Gomtipur Road, Ahmedabad.	Gomtipur Road, outside Saraspur Gate, Ahmed-abad.	484	1,000	1,000	4,84,000	...	18,840	18,840	18,400	336	256	2,112	840		1. Berar Manufacturing Co., Ltd. ..
8. Ahmedabad Jubilee Spinning and Manufacturing Co., Ltd.	Messrs. Chunnilal Nagindas & Co., Trustees and Agents, Office on Mill premises.	Outside Dariapur Gate, P.O. Ry. Pare, Ahmedabad.	10,000	100	100	10,00,000	3,120	34,040	37,160	34,824	812	812	3,792	1,864		2. Seratram Rangrawal Mills Co., Ltd. ..
9. Ahmedabad Jupiter Spg., Wvg. and Mfg. Co., Ltd.	Messrs. Parshotam Govindlal & Co., Ltd., Agents, Offices on Mill premises.	Sindhushat Road, Ahmedabad.	{Ord. 6,400 Pref. 1,600	125	125	8,40,000	...	...	...	...	380	370	...	547		3. Sir Mahamedbhai and Dahoda Cotton and Oil Mills Co., Ltd., formerly Abeda and Mod-India Spinning, Weaving and Manufacturing Co., Ltd.)
10. † Amratlal Kaiser-i-Hind Mills Co., Ltd. (formerly Amratlal Merchants' Spinning Mills Co., Ltd.)	Messrs. Narandas Rasiklal & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	500	1,000	1,000	5,00,000	...	53,300	53,300	17,163	350	288	1,870	780		4. Vaishnav Mills, Dewar, Ltd.
11. Ahmedabad Laxmi Cotton Mills Co., Ltd.	Messrs. Jayantilal Amratlal & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	500	1,000	1,000	5,00,000	...	34,100	34,100	30,300	...	...	3,168	930		**CENTRAL PROVINCES.**
12. Ahmedabad Manufacturing and Calico Printing Co., Limited.	Messrs. Kasturbhai Premchand & Co., Agents, Office on Mill premises.	Outside Jamalpur Gate, Ahmedabad.	10,000	125	125	20,00,000	...	75,632	75,632	68,870	1,356	1,260	6,292	3,643		1. Bengal-Nagpur Cotton Mills Ltd.
13. Ahmedabad New Cotton Mills Co., Ltd.	Messrs. Ranchhodlal Chhotalal & Co., Agents, Office on Mill premises.	Raipur Road, outside Raipur Gate, Ahmedabad.	300	1,000	1,000	3,00,000	...	18,336	18,336	17,912	276	267	1,344	1,115		2. Burhanpur Tapti Mill, Ltd. ..
14. Ahmedabad New Standard Mill Co., Ltd. (formerly Ahmedabad New Edward Mill Co., Ltd.)	Messrs. Amratlal Kanji & Co., Managing Agents, Office on Mill premises.	Kalupur Road, Ahmedabad.	8,000	100	100	8,00,000	...	16,112	16,112	2,448	432	72	552	200	To additional loom in course of erection.	3. Central India Spinning, Weaving and Mfg. Co., Ltd. (Empress Mills).
15. Ahmedabad New Textile Mills Co., Ltd. No. 1	Messrs. Narandas Rasiklal & Co., Trustees and Agents, Post Box No. 30, Ahmedabad.	Outside Raipur Gate, Ahmedabad.	2,000	250	250	5,00,000	...	14,580	14,580	14,300	336	336	2,688	1,413		
16. Do. do. No. 2 (formerly Jyoti Spg. & Mfg. Co., Ltd.							...	14,800	14,800	14,800	...	...	1,792	683		4. Model Mills (Nagpur), Ltd. ..
17. Ahmedabad Saraspur Mills Co., Ltd.	Messrs. Gimalal Motilal & Co., Agents, opposite Raipur Gate, Ahmedabad.	Do. do.	525	1,000	1,000	5,25,000	...	41,870	41,870	40,072	1,116	1,116	5,166	1,951		**HYDERABAD (NIZAM'S TERRITORY).**
18. Ahmedabad Shri Ramkrishna Mills Co., Ltd.	Messrs. Chimanlal Manekal & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Gomtipur Road, Ahmedabad.	1,300	250	250	3,25,000	...	...	...	...	380	300	...	873		1. ‡ Aurungabad Mills, Ltd. ..
19. Ahmedabad Spinning and Weaving Co., Ltd.	Messrs. Ranchhodlal Chhotalal & Co., Agents, Office on Mill premises.	Shahapur, Ahmedabad.	10,000	100	100	10,00,000	...	32,232	32,232	31,240	840	840	3,192	1,300		2. Dewan Balasher Ramjeepet Mills, Ltd. ..
20. † Ahmedabad Vishnu Cotton Mills Co., Ltd. ..	Messrs. Purshotamdas Gangadhar and Sharkerlal Dwarkadas, Liquidators, Pitapalkhi, 3624, Dudha Poll, Ahmedabad.	Near Sunkeer Tank, outside Raipur Gate, Ahmedabad.	5,432	125	125	7,08,307	6,912	5,080	7,080	...	...	...	...	...	In Liquidation. Not working.	3. ‡ Hyderabad (Deccan) Spinning and Weaving Co., Ltd. ..
21. Arvindera Ginning and Mfg. Co., Ltd. (formerly Ahmedabad Vyapar Ootejach Spinning and Mfg. Company, Limited.)	Messrs. Ranchhodlal Chhotalal & Co., Agents, Office on Mill premises.	Asarva Road, Ahmedabad.	3,000	100	100	3,00,000	...	23,176	23,176	27,092	560	560	2,688	1,014		4. Rajah Goculdas Mills Co., Ltd. (formerly Gokuldas Tulsidas Cotton Manufacturing Co., Ltd.)
22. Arvindera Spinning and Weaving Co., Ltd. (Nos. 1 and 2)	Messrs. Mangaldas Girdhardas & Co., Agents, Office on Mill premises.	Asarva Road, Ahmedabad.	{Ord. 6,000 Pref. 2,000	100 250	100 250	11,00,000	...	41,876	41,876	40,872	1,116	1,116	5,166	1,951		
23. Asarva Mills (formerly Hirwadihak Cotton Mills Co., Ltd.)	Messrs. Dalsukhbhai Nanabhai & Co., Secretaries, Treasurers and Agents, Commercial Buildings, Asarva Road, Ahmedabad.	Asarva Road, Ahmedabad	...	...	...	...	...	15,349	15,349	15,412	432	432	1,968	804		
24. Asoia Mills Ltd. ..	Messrs. Lalbhai Dalpatbhai & Co., Agents, Pankore's Naka, Ahmedabad.	Naroda Rd., Ahmedabad.	14,000	100	100	14,00,000	...	31,024	31,024	28,152	728	728	3,276	1,232		
25. ‡ Baroda Spinning and Weaving Co., Ltd. (Block Nos. 1 and 2).	Messrs. Jayantilal Lakhmidas & Co., Secretaries, Treasurers & Agents, Office on Mill premises.	Fatel Gate, near Bhadra, Baroda.	5,300	100	100	5,30,000	...	26,912	26,912	26,412	728	672	2,100	1,000		1. ‡ Hyderabad (Deccan) Spinning and Weaving Co., Ltd. ..
26. Bechardas Spinning and Weaving Mills Co., Ltd.	Messrs. Dayagovind Chhotalal & Co., Treasurers and Agents, Office on Mill premises.	Nakhtad, Ahmedabad.	2,000	250	250	4,90,475	...	19,336	19,336	5,292	280	168	1,440	603		2. ‡ Osmanshahi Mills, Ltd. ..
27. Bhagirath S. W. & Manufacturing Co., Ltd. ..	Messrs. Bhagirath Ramchandra & Co., Agents, Office on Mill premises.	Jalgaon, East Khandesh ..	30,000	100	100	13,00,000	...	3,200	3,200	2,908	200	150	1,000	905	Loom additional this year. Mills will have 400 looms in course of erection.	
28. Bharatkhand Cotton Mills Co., Ltd.	Messrs. Ranchhodlal Chhotalal & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Asarva Road, Railway puta Fort, Ahmedabad.	6,000	125	125	4,03,500	...	23,256	23,256	21,772	560	560	2,380	905		**CENTRAL INDIA.**
29. Bharatkhand Textile Manufacturing Co., Ltd. ..	Messrs. Premchand Girdhardas & Co., Secretaries, Treasurers and Agents, Post Box No. 91, Ahmedabad.	Camp Road, Ahmedabad.	{Ord. 500 Pref. 1,500	1,000 100	1,000 150	8,50,000	...	22,224	22,224	22,224	560	560	2,688	1,015		1. ‡ Hotel Mills Co., Ltd. ..
30. Bharat Laxmi Cotton Mills Co., Ltd.	Messrs. Ranchhodlal Amratlal & Co., Secretaries, Treasurers and Agents, Post Box No. 30, Ahmedabad.	Sarkhej Bavla Road, Saraspur Gate, Ahmedabad.	1,700	250	250	5,11,000	...	10,624	10,624	10,660	...	...	1,008	915		2. ‡ H. H. The Maharaja Spinning and Weaving Mills ..
31. Bharat Spg. and Wvg. Co., Ltd., No. 1 (formerly Hind Mills, Ltd.)	Messrs. Parshotamdas Thakurdas and Managing Agents, Wvg. Head Office, Fort, Bombay.	Dhulia	40,000	250	200	34,00,000	...	50,112	50,112	47,776	1,120	1,120	5,880	2,000		3. ‡ Hukumchand Mills, Ltd. ..
32. Do. do. Do. do. No. 2					200		...	50,112	50,112	47,776	1,120	1,120	5,880	2,000		4. Indore Malwa United Mills, Ltd., Old Mills
33. Broach Fine Counts Spinning and Weaving Co., Ltd. (formerly Broach Industrial Cotton Spinning and Weaving Co., Ltd.)	Messrs. Parshotam Govindlal & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Mahomedpura Road, Near Station, Broach.	8,000	250	250	20,00,000	...	16,080	16,080	15,792	720	720	3,144	1,733		5. Do. do. do. New Mills
34. City of Ahmedabad Spinning and Manufacturing Co., Limited.	Messrs. Chimanlal Maneklal & Co., Ltd., Secretaries, Treasurers and Agents, Office on Millpremises.	Nathkuva Road, Ahmedabad.	{Ord. 5,000 Pref. 2,400	100 250	100 250	7,00,000	...	41,320	41,320	40,772	1,064	1,064	5,264	1,514		6. ‡ Sirajgunj Cotton Mills, Ltd. ..
35. Consortial-Ahmedabad Mills Co., Ltd.	Messrs. Dhirajlal Chhotalal & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Dariapur, Kalpur, Ahmedabad.	525	1,000	1,000	5,25,000	...	17,900	17,900	17,108	336	336	1,932	955		7. ‡ Kalyansai Mills, Ltd. ..
36. ‡ Garden Factory	Messrs. Chamanlal & Co., Owners and Managers, Sholapur, Sholapur Spinning & Weaving Co., Ltd., Short Notice, Bombay.	Sholapur, Barsi ..	...	...	...	...	...	...	...	...	...	...	...	47		8. ‡ Nandedal Dhanderi Mills, Ltd. ..
37. Gokak Mills, Ltd. (formerly Gokak Water Power & Mfg. Co., Ltd.)	Messrs. Forbes, Forbes, Campbell & Co., Ltd., Agents, Forbes Building, Home Street, Fort, Bombay.	Gokak Falls, Belgaum District, S.M.C.	29,647	100	100	29,64,700	1,340	71,444	72,784	70,830	...	...	13,548	7,983		9. ‡ Rajkumar Mills Ltd. ..
38. Gordhan Spinning and Manufacturing Co., Ltd.	Messrs. Nathalbhai Jadavbhai & Co., Agents, Office on Mill premises.	Naroda Road, Ahmedabad.	{Old 5,830 New 19,500	100 50	100 50	7,80,650	...	17,412	17,412	15,552	336	336	1,344	600		10. ‡ Sirkhandi Mills, Ltd. ..
39. Gujarat Cotton Mills Co., Ltd. ..	Messrs. Parekh Marfatia Bughwandas & Co., Agents, Office on Mill premises.	Naroda Road, outside Kalupur Gate, Ahmedabad.	8,800	125	125	10,50,250	...	79,540	79,540	75,188	1,512	1,512	6,300	1,647		11. ‡ Ujjain Cotton Ginning, Spg. and Wvg. Mills ..
40. Gujarat Ginning and Manufacturing Co., Ltd.	Messrs. Jayantilal Amratlal & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	524	1,000	1,000	5,24,000	...	16,128	16,128	15,780	280	280	1,680	1,150		**BENGAL PRESIDENCY AND ASSAM.**
41. Gujarat Spinning and Weaving Co., Ltd.	Messrs. Jayantilal Amratlal & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	400	1,000	1,000	4,00,000	...	16,372	16,372	15,332	336	336	1,680	1,145		1. † Assam Weaving Factory, Ltd. ..
42. Harivallabhdas Muljibhai Mills Co., Ltd.	Messrs. Harivallabhdas Muljibhai & Co., Agents, Office on Mill premises.	Outside Saraspur Gate, Ahmedabad.	525	1,000	1,000	5,25,000	...	17,096	17,096	16,524	336	336	1,680	972		2. Bengal Luxmi Cotton Mills, Ltd. ..
43. Hathising Manufacturing Co., Ltd. ..	Messrs. Mansukhlal Hathising & Sons, Agents, Office on Mill premises.	Outside Saraspur Gate, Ahmedabad.	800	250	250	5,12,500	...	19,152	19,152	18,108	...	...	1,344	460	Not working.	3. Bharat Abhyoday Cotton Mills, Ltd. ..
44. Hatim Mills, Ltd. (formerly Godam Baba Spinning and Weaving Co., Ltd.)	Messrs. Dhirajlal Kunverjee & Sons, Agents, Rewadi Bazar, Fort, Bombay.	Railway Suburb, Surat	{Ord. 10,000 Pref. 5,000	100 125	100 125	10,63,500	...	17,856	17,856	...	...	...	...	...	In Voluntary Liquidation. Mill closed for Mills Reconst. Mills.	4. Vijaya Cotton Mills, Ltd. ..
45. Himabhai Manufacturing Co., Ltd. ..	Messrs. Dhirajlal Kunverjee & Sons, Agents, Rewadi Bazar, Fort, Bombay.	Railway Para Fort, Ahmedabad.	1,430	125	125	1,79,200	...	...	...	...	...	...	...	137		5. Dhanbasri Mills, Ltd. ..
46. India Spg. & Wvg. Co., Ltd.	Messrs. Geoghegan & Sons, Agents, Office on Mill premises.	Near Jagannath Mahadev	12,000	100	100	9,16,390	...	11,400	11,400	10,120	336	168	1,008	600		6. Dewhar Mills, Ltd., No. 1 .. ..
47. Jam Shri Ranjitsinghji Spinning and Weaving Mills Co., Ltd.	Messrs. Lady Nanbai & Co., Secretaries, Treasurers and Agents, Office on Tamarind Lane, Fort, Bombay.	Railway para, Ahmedabad & Bhojpur	777	1,000	1,000	7,77,000	600	14,616	15,216	14,616	336	336	1,680	1,195		7. Do. do. No. 2 .. ..
48. Jehangir Vakil Mills Co., Ltd.	Messrs. Dinshaw Bengalee & Co., Ltd., Agents, Office on Mill premises.	Outside Delhi Gate, Ahmedabad.	2,800	250	250	7,00,000	...	17,164	17,164	16,128	336	336	1,680	1,062		8. Do. do. No. 3 .. ..
49. ‡ Kalol Cotton Mills Co., Ltd.	Messrs. Mathuradas Narsey & Sons, Secretaries, Treasurers and Agents, Office on Mill premises.	Kalol, North Gujarat ..	12,000	100	100	16,60,980	...	6,472	6,472	5,152	112	112	560	160		9. Jayajirao Jubilee Mills, Ltd. ..
50. ‡ ‡ Kalol Kapadia Spg. & Wvg. Mills Co., Ltd.	The Head Office at Kalol, Owners, Kalol, North Gujarat ..	Kalol, North Gujarat ..	...	...	...	...	...	14,580	14,580	...	...	...	...	...	Not working since 15th April 1907.	10. Kalyanmal Mills, Ltd. .. .. ..
51. ‡ ‡ Kalol Swadeshi Mills Co., Ltd.	Messrs. Jamnadas Saraya, Liquidator, The Kalol Swadeshi Mills, c/o Pannalbhuvan Sabhanchal, Indravijay, Ahmedabad.	Kalol, North Gujarat ..	2,150	100	100	1,83,000	...	...	...	...	...	...	...	...	In liquidation. Not working.	11. Nandedal Dhanderi Mills, Ltd. ..
52. Khandesh Spinning and Wvg. Mills Co., Ltd.	Messrs. Mooljee Jaitha & Co., Secretaries and Treasurers, Fort House, Tamarind Lane, Fort, Bombay.	Jalgaon, East Khandesh ..	750	1,000	1,000	7,50,000	...	21,400	21,400	21,112	420	420	1,890	1,148		12. Rajkumar Mills Ltd. .. .. ..
53. Lakshmi Cotton Manufacturing Co., Ltd. ..	Das Bromley Co., Ltd., Secretaries, Treasurers and Agents, 9, Wallace St., Fort, Bombay.	Sholapur	1,800	1,000	1,000	18,00,000	...	43,792	43,792	43,172	840	840	4,032	3,134		13. Rajnandgaon Cotton Mills Co. (formerly Shri Narsinha Cotton Mills).
54. ‡ Maharaja Mills Co., Ltd.	Messrs. Hargovindas D. Kantawala & Co., Agents, Post Box No. 31, Baroda.	Patna Road, Baroda ..	495	1,000	1,000	4,95,000	960	13,140	14,100	13,080	280	280	1,344	777		14. Shree Dhanlaxmi Cotton Mills (formerly Geocery Cotton Mills).
55. Manekchok and Ahmedabad Mfg. Co., Ltd., No. 1 & 2.	Messrs. Harakhchand Premchand, Agents, Office on Mill premises.	Near Giga Chowky, Kalupur Road, Ahmedabad.	525	1,000	1,000	5,25,000	...	19,584	19,584	18,452	336	336	1,680	1,138		15. Victoria Cotton Mills .. .. ..
56. Maneklal Harilal Spinning and Mfg. Co., Ltd.	Messrs. Harilal Harivallabhdas & Co., Agents, Office on Mill premises.	Saraspur, Ahmedabad ..	450	1,000	1,000	4,50,000	...	13,080	13,080	12,812	280	252	1,260	1,100		**PUNJAB.**
57. ‡ Manor Mill	H. B. Seth Manohar Harakchand, Owner, Office on Mill premises.	Nadiad, Zilla Kaira ..	...	...	...	...	1,200	13,000	14,200	...	...	...	...	...	Not working since Febr. 1903.	1. Bawanbhai Cotton Mills (formerly Amritsar Cotton Mills).
58. Marsden Spinning and Manufacturing Co., Ltd.	Messrs. Marsden Bros. & Co., Ltd., Agents, Office on Mill premises.	Gomtipur, Ahmedabad ..	13,625	100	100	13,65,300	...	16,800	16,800	16,800	336	336	2,412	968		2. ‡ Guru Ram Dass Spg., Wvg. and Ginning Cotton Mills.
59. Mehtab Mirakhat Spinning, Weaving and Mfg. Co., Ltd.	Messrs. Mehtab Mirakhat & Sons, Agents, Office on Mill premises.	Outside Prem Gate, Ahmedabad.	9,000	100	100	9,00,000	...	30,800	30,800	28,114	700	700	3,248	1,168		3. ‡ Gurukul Cotton Spinning & Weaving Mills .. ..
60. Nagri Mills Co., Ltd.	Messrs. Popatlal Chunnilal & Co., Agents, Office on Mill premises.	Jagnath Road, Gomtipur, Ahmedabad.	1,000	1,000	1,000	7,35,000	...	13,488	13,488	13,440	...	...	1,176	396		
61. ‡ Narayanbhai Chamkal Cotton Spg. and Wvg. Mills (formerly Gaekwar Spinning and Weaving Mills).	Messrs. Narayanbhai Ambalal & Co., Agents, Office on Mill premises.	Jadeg Dhanwal (Wadi) ..	...	...	...	...	1,440	16,368	18,000	...	...	...	...	...	Not working.	4. Khalsa Spinning and Weaving Mills .. ..
62. Surajgunj). Manufacturing Co., Ltd.	Raja Indarjit Saraogghi Gyangirji, Agent, Office on Mill premises.	Station Road, Sholapur.	1,000	1,000	1,000	10,00,000	...	21,672	21,672	21,472	448	256	1,568	1,145		5. Mela Ram Cotton Mills .. .. ..
63. National Mills Co., Ltd.	Messrs. Chimanlal and Chotalal & Co., Agents, Office on Mill premises.	Gomtipur Road, outside Saraspore Gate, Kalupur and Port, Ahmedabad.	440	1,000	1,000	4,40,000	...	13,596	13,596	13,176	280	280	1,344	1,000		**UNITED PROVINCES OF AGRA AND OUDH.**
64. ‡ Nawab of Cambay Mills Co., Ltd.	Messrs. Maganlal Harilal & Co., Secretaries, Treasurers and Agents, Office on Fort, Bombay.	Cambay	1,330	500	500	8,03,000	1,560	13,492	15,052	13,860	224	224	1,288	824		1. Agra Spinning and Weaving Mills, Ltd. .. ..
65. ‡ New Baroda Mills Co., Ltd.	Messrs. Jayantilal Lakhmidas & Co., & Co., Managing Agents, Post Box 24, Baroda.	Near Giya Gate Station Road, Baroda.	10,300	100	100	10,01,350	...	14,400	14,400	14,280	224	224	1,232	420		2. Agra United Mills, Ltd. (formerly John's Cawnpore Spinning Mills).
66. ‡ New Darbhanga Mills (formerly Darbhanga Spg. & Wvg. Mills Ltd.)	Messrs. Sitaram Ramgopaul, Managing Agents, Office on Mill premises.	Opp. Ry. Station, Narsari ..	...	...	...	...	1,400	14,336	15,736	...	336	...	...	...	Re-started working on August 1907.	3. Agra United Mills, Ltd. (formerly John's Princess of Wales Spinning Mills).
67. ‡ New Jehangir Vakil Mills Co., Ltd. (formerly New Ahmedabad Manufacturing Co., Ltd.).	Messrs. Dinshaw Bengalee & Co., Agents, Dhanvagar ..	Dhanvagar	2,400	250	250	5,30,000	...	16,704	16,704	16,320	336	336	1,848	1,131		4. Agra United Mills, Ltd. (formerly John's Spinning Mills).
68. New Manekchok Spinning and Weaving Co., Ltd. ..	Mr. Lalbhai Trikamlal, Agent, Office on Mill premises.	Mithakhi Dariapur Gate, Ahmedabad.	525	1,000	1,000	5,25,000	...	16,864	16,864	16,632	336	252	1,512	1,135		5. Agra United Mills, Ltd. (formerly John's Wvg. Mill).
69. New Prolap Spg. & Weaving Mills Co., Ltd. ..	Messrs. Sevaldas Ranchhodlal & Sons, Agents, Office on Mill premises.	Dhulia, W. Khandesh ..	30,000	100	...	27,67,784	...	8,808	8,808	3,000	100	100	560	350	Started work from 1st January 1907.	6. Jubilee Cotton and Silk Mills, Ltd. ..
70. New Shorrock Spinning and Manufacturing Co., Ltd. (formerly Nadiad Swadeshi Spinning, Weaving and Manufacturing Co., Ltd.)	Messrs. Shahalal Chamanlal & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Nadiad, Dist. Kaira ..	1,330	250	250	3,15,000	...	15,936	15,936	15,904	336	336	1,680	1,000		7. Cawnpore Cotton Mills Co. (C. C. M.)
71. New Swadeshi Mills of Ahmedabad, Ltd., (formerly Ahmedabad Swadeshi Spinning and Mfg. Co., Ltd.)	Messrs. Manilal Nagindas Thakurbhai & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Naroda Road, Ahmedabad.	14,000	100	100	13,82,500	...	23,824	23,824	24,072	560	504	2,520	1,069		8. Do. do. do. (Rakmai) .. ..
72. Patel Mills Co., Ltd., (formerly Gomtipur Spinning, Weaving and Manufacturing Co., Limited.)	Messrs. Dhirajlal Chamlal & Co., Agents, Lalji Building, Jacob Circle, Mahalaxmi Para Post, No. 1, Ahmedabad.	Gomtipur Road, Ahmedabad.	1,737	125	Rs. 125 on 1,437.	1,96,625	3,664	8,184	7,848	4,480	...	...	1,008	1,000		9. Elgin Mills Co., Ltd. .. .. ..
73. ‡ Petlad Bulakhidas Mills Co., Ltd. ..	Messrs. Motilal Manekchand & Co., Secretaries, Treasurers & Agents, Station Rd., Petlad.	Near Station Road, Petlad	10,000	100	100	10,00,000	...	19,116	19,116	18,816	...	...	1,680	1,135		10. Jaggilal Kanidjee Cotton Spinning and Wvg. Mills Ltd.
74. Pratap Spg., Wvg. and Mfg. Co., Ltd. ..	Messrs. Motilal Manekchand & Co., Secretaries, Treasurers and Agents, Amalner, East Khandesh, (formerly Orient, 14, Hamam Street, Fort.	Amalner, East Khandesh	15,000	100	100	15,00,000	432	34,504	34,936	34,656	896	896	3,136	1,148		11. Laila Mal Hardeo Dass Cotton Spinning Mill Co. ..
75. Premlaxmi Spinning and Mfg. Co., Ltd. ..	Messrs. Ramanbhai Bhagubhai & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	471	1,000	1,000											12. Morarjee Goculdas Spinning and Weaving Mills Co., Ltd.
76. Raipur Manufacturing Co., Ltd.	Messrs. Jayantilal Amratlal & Co., Agents, Office on Mill premises.	Outside Saraspur Gate, Ahmedabad.	337	250	250	2,55,375	...	13,600	13,600	11,660	280	252	1,008	753		13. Muir Mills Co., Ltd. .. .. ..
77. Rajkumar Mohabatsing Ji Mills Ltd. (formerly	Messrs. Lalbhai Dalpatbhai & Co., Agents, Office on Mill premises.	Mithakhali Saraspur Gate, Ahmedabad.	5,000	100	100	5,00,000	...	23,400	23,400	23,112	560	504	2,240	1,000		14. ‡ Nadiad Swadeshi Spinning and Weaving Co., Ltd.
78. Raja Bahadur Motilal Poona Mills Ltd. (formerly	Messrs. Motilal Manekchand & Co., Secretaries, Treasurers and Agents, Office on Mill premises.	Near Ry. Station, Poona	20,000	100	100	20,00,000	...	18,000	18,000	...	...	...	...	...	Mill working since 1st Jan. 1908.	15. ‡ New Manekchok Cotton Mill Co. (formerly Manekchok Cotton Spinning Mills).

CIATION.

1927.

NAMES OF AGENTS OR OWNERS AND OFFICE ADDRESSES.	SITUATION OF MILL	CAPITAL				NUMBER OF SPINDLES.			Number of Spindles at work daily.	Number of Looms.	Average Number of Looms at work daily.	Approximate quantity of Cotton consumed during the year in candies of 784 lbs.	Average Number of Hands employed daily.	REMARKS.
		Number of Shares.	Nominal value of each Share.	Amount paid on each Share.	Total amount of Capital paid up.	Mule.	Ring.	Total						
					Rs.									
Messrs. Gaekwar Lodha and R. S. Kasliwal Mohta, Agents, Digge Street, Beawar (Rajputana.)	Beawar. Ajmer Merwara, Rajputana.	1,280	500	500	6,40,000	4,992	10,344	15,144	14,960	318	304	5,800	873	
Messrs. Thakurdas Khiarraj & Co., Secretaries, Treasurers and Agents, Beawar. (Rajputana.)	Near Ry. Station, Beawar	1,400	500	500	7,00,000	6,384	11,112	17,496	13,934	398	359	2,830	870	
Seths Sir Sahib Seth Kundanmal and Seth Vithaldas Seth, Secretaries, Treasurers and Agents, Beawar.	Beawar	13,000	100	100	12,99,800	..	8,448	8,448	7,745	224	216	1,125	453	
Messrs. Cathanji Damodhar & Co., Agents, Madanganj, Kishangarh.	Kishangarh (Rajputana)	66,952	10	10	6,66,592	10,080	6,432	16,512	14,000	..	..	6,000	430	
Seths Sir Sahib Gopal Purshottamdas Kasliwal & Co., Agents, Hathi Bhatta Street, Ajmer	Ajmer Gate, Ajmer	4,613	25	25	1,13,325	..	..	..	..	84	80	..	..	
				Total	34,15,517	29,664	36,336	57,600	50,371	982	892	15,760	2,626	
Messrs. Kasturchand Dadabhoy & Co., Agents, Lloyd Building, Graham Road, Ballard Estate, Fort, Bombay.	Madhavra	2,250	200	200	2,50,000	..	19,968	19,968	19,792	368	360	2,928	1,110	
Seth Sewaram Ramprasad, Agents, Akola. (Berar.)	Tajnapeth, Akola, Berar	1,310	500	500	7,55,000	..	11,316	11,316	10,303	291	187	2,169	600	
Messrs. Khandelwal and Purshottamdas & Co., Agents, 300-302, Sheikh Memon Street, Bombay, No. 2.	Akola, Berar	2,000	100	100	2,84,370	1,260	11,208	12,468	..	457	..	..	..	In liquidation. Not working since 19th June 1926. New looms in course of erection.
Messrs. V. H. Deshmukh & Co., Secretaries, Treasurers and Agents, Amraoti.	Ellichpur, Amraoti Dist.	10,764	100	..	14,01,892	..	10,584	10,584	10,584	..	..	1,746	340	
				Total	34,56,572	1,008	63,360	64,368	40,680	1,116	547	6,843	2,140	
Messrs. Shaw, Wallace & Co., Managing Agents, Fort Don No. 70, 4, Dalhousie Street, Calcutta.	Raj-Nandgaon, C. P.	(Ord. 90,000	10	10	12,00,000	..	31,032	31,032	30,090	555	540	6,770	1,904	
Messrs. Cowasji Dinshaw & Brothers, Secretaries, Treasurers and Agents, Textile Manufacturers, Dinshaw Mansion, Bombay.	Burhanpur. Lat Bag, Nimar District, C. P.	Pref. 3,000	100	100	13,00,000	411	13,824	14,235	12,360	424	408	3,021	1,611	
Messrs. Tata Sons, Ltd., Agents, Bombay House, 24, Bruce Road, Fort, Bombay.	Nagpur, C. P.	Ord. 40,875	100	100	40,87,500	..	1,00,332	1,00,332	92,262	2,231	2,139	23,682	7,350	
Messrs. Dwarkadas Khetsidasji Dadabhoy & Co., Agents, Lloyd Bldg., Graham Road, Ballard Estate, Fort, Bombay.	Sonat Road, Nagpur, C. P.	Pref. 10,000	500	500	94,75,000	..	12,408	12,408	8,907	1,050	1,002	9,004	3,240	
Messrs. V. H. Bajaj (Secretary and Manager), Agents, Bajaj House, Napier Town P. O.	Pulgaon, Dist. Wardha, C. P.	Ord. old 1,000	500	500	9,88,139	3,852	15,384	19,236	16,103	445	420	3,200	968	
The Behar Jute Factory, Ltd., Managing Agents, Messrs. Begg, Sutherland & Co., Ltd., Private Owners, Victoria Road, Civil Lines, Sir Ramchandra Building, Jhingistan, G. T.	Ramchandra Building, Jhingistan, G. T.	Ord. new 1,000	250	250	....	..	30,048	30,048	27,360	720	576	3,870	1,550	
Messrs. Mathuradas Mohota and Gopaldas Mohota (Private Owners), Jhingistan.	Do. do.	Pref.				..	..	..	..	..	..	..	..	
Messrs. Mangalam Mohta & Co., Agents, Mohatta Bunnit, Apollo Street, Fort, Bombay.	Bantral, Jubbulpore, C. P.	5,000	100	100	8,00,000	..	11,672	11,672	11,672	316	292	2,400	1,500	
				Total	2,13,66,139	5,308	2,40,844	2,46,152	2,80,350	5,710	5,532	57,305	19,133	
Messrs. Duncanwani Ipai & Co., Agents, 34, Nadras Badaraga, Fort, Bombay.	Kavangahad, Dewas	1,200	1,000	1,000	8,42,000	2,160	7,452	10,092	10,044	228	192	1,643	653	
Messrs. Lachmandas Ramgopal & Son, Ltd., 23, St. John's Rd., Secunderabad, Deccan, and Messrs. Ramanuja Doss and Venkatesh Ayyangar, Secretaries, Treasurers and Agents, Ewart House, Tamarind Lane, Fort, Bombay.	Hingangada, Hyderabad Dominion, Deccan	3,096	500	500	19,98,900	..	16,378	16,378	13,753	368	322	2,457	800	
Messrs. Jagannath Suraimal Lahoti, Secretaries, Treasurers and Agents, 23, Pretoria Street, Dharamtal, Calcutta.	Ballarpur, Deccan	1,280	500	500	3,83,000	..	12,800	12,800	12,442	320	256	3,043	1,068	
Messrs. Cavendiley Ebrahim & Sons Ltd., Agents, 13,14, Ostrom Road, Fort, Bombay.	Sandeil (Nizam's Dominions)	50,000	100	75	37,50,000	..	16,332	16,332	16,332	396	396	2,552	1,142	
				Total	80,83,900	2,160	81,792	93,952	77,421	1,852	1,566	16,005	4,658	
Messrs. Shivnarain Jhunjhunwala, Secretary, Treasurer and Agents, Jhunjhunwala Chawl, Jagganathan.	Ujjain, Gwalior	250,000	100	100	80,00,000	..	13,064	13,064	10,667	238	220	3,236	1,134	
Messrs. Central Provinces Manufacturing Co., Ltd., Agents, Messrs. Birla Bros., Ltd., Calcutta.	Indore City	9,072	100	100	9,07,200	..	15,240	15,240	10,872	272	260	1,334	870	
Messrs. Sarupchand Hukamchand & Co., Secretaries, Treasurers and Agents, Cotton Merchants, Indore City.	Indore City	20,150	100	100	20,15,000	..	30,624	30,624	28,098	1,116	1,056	3,616	1,300	
Messrs. Gwalior Industrial Co., Ltd., Secretaries, Treasurers and Agents, Cotton Merchants, Gwalior.	Gwalior, Malwa	20,000	100	Nil	20,00,000	..	30,624	30,624	28,098	1,116	1,056	3,616	1,300	
Messrs. Begg, Sutherland & Co., Ltd., Secretaries, Treasurers and Agents, Cotton Merchants, Victoria Road, Civil Lines, Sir Ramchandra Building, Jhingistan, G. T.	Gwalior, near Morar Road Station, G. I. P. Ry.	1,200,750	10	10	50,00,360	1,184	2,304	3,488	3,432	78	48	630	287	
Messrs. Birla Bros., Ltd., Agents, 157 Cotton Street, Calcutta.	Cawnpore, Dist. Hooghly, Bengal.	40,000	100	100	40,00,000	..	16,272	16,272	16,272	740	732	9,060	1,600	
Messrs. Khandelwal Balkrishnai & Co., Secretaries, Treasurers & Agents, Cotton Merchants, Indore City.	Sanath Camp, Indore	40,000	100	100	40,00,000	..	13,470	13,470	7,700	254	252	4,787	1,714	
Messrs. Sarupchand Hukamchand & Co., Agents, Cotton Merchants, Indore City.	Indore City	30,000	..	100	10,01,345	840	13,368	14,208	11,160	..	348	2,350	777	
Messrs. Sarupchand Hukamchand & Co., Agents, Cotton Merchants, Indore City.	Indore City	21,000	100	100	10,12,950	..	13,056	13,056	12,768	432	432	3,581	1,681	
Messrs. Scindia Steam Navigation Co., Ltd., Secretaries, Treasurers and Agents, Office on Mill premises.	Ujjain, Gwalior State	18,382	100	100	12,86,340	..	13,500	13,500	..	398	..	..	..	Mill not working since 19th February 1926. Mill not working.
Messrs. Jagannath Narayan, Agents, Sitaram Bldg.	Indore City	10,000	100	100	30,00,000	..	13,500	13,500	13,500	372	..	..	..	
Messrs. R. S. Dastnak Akalung, Managing Proprietor, Office on Mill premises.	Mahidpur, Ujjain, Gwalior State	1,200	..	..	1,20,000	1,344	24,192	25,536	23,112	552	528	5,043	900	
				Total	2,30,31,152	4,372	1,13,140	1,17,512	1,05,452	2,942	2,596	41,060	13,058	
Messrs. P. Bonnaud Bros., Managers, Jorhat (Assam).	Jorhat Town, Assam	2,222	10	8	24,437	..	..	..	..	..	..	..	..	
Messrs. Rai G. C. Chowdhry Bahadur and S. Harishankar, Managers, Bengal.	Rajshahi, Serampore, Dist. Hooghly, Bengal.	15,562	100	100	17,76,000	432	15,564	15,996	13,000	384	300	4,662	1,824	
Messrs. Birla Bros., Ltd., Agents, 157, Cotton Street, Calcutta.	Cawnpore, Dist. Hooghly, Bengal.	Ord. 2,00,000	100	100	35,00,000	12,672	26,652	39,324	17,256	..	..	3,450	780	
Messrs. Birla Bros., Ltd., Agents, 157, Cotton Street, Calcutta.	Garden Reach Road, Calcutta.	Pref. 10,000	10	10	18,00,000	..	25,872	25,872	23,256	..	..	3,132	1,300	
Messrs. Kettlewell, Bullen & Co., Secretaries, 21, Strand Road, Calcutta.	Narayanganj (Dacca)	1,00,000	10	10	12,35,000	..	12,068	12,068	4,980	164	108	660	310	Mill started working in December 1926.
Messrs. Kettlewell, Bullen & Co., Secretaries, 21, Strand Road, Calcutta.	Narayanganj, Dacca (Dacca)	Ord. 14,000	100	100	19,06,060	9,576	7,452	16,992	16,363	..	..	2,743	695	No Machinery in No. 2 & 3 Mills.
Messrs. Jutt Press, Ltd., Agents, 157, Cotton Street, Calcutta.	Garden Reach Road, Calcutta.	Pref. 3,00,000	10	10	35,75,300	..	13,800	13,800	..	276	..	..	..	In Liquidation. Not working.
Messrs. Birla Bros., Ltd., Agents, 157, Cotton Street, Calcutta.	Garden Reach Road, Calcutta.	Pref. 10,000	100	100	20,00,000	1,440	26,256	27,696	23,472	1,272	1,260	11,988	4,000	
		Ord. 6,00,000	10	10										
Messrs. Chadrawati Jute & Co., Managing Agents, Mohan Bales Road, Kankinara, 24-Parganas.	Kankinara Naihs, Bengal.	Ord. 12,000	25	25	13,00,000	..	..	..	..	..	..	..	230	Spinning plant under erection.
Messrs. Kettlewell, Bullen & Co., Ltd., Agents, 21, Strand Road, Calcutta.	Shalimar, P.O. Chitpore, 24-Parganas, Bengal.	Pref. 3,000	100	100	6,00,000	..	13,968	13,968	13,473	..	..	2,772	630	
Messrs. Hastanmull, Harakal, Agents, 21, Canning Street, Calcutta.	Serampore, Mohesh, E. I. Ry. (Bengal).	Ord. 5,000	100	100	....	..	..	..	..	..	..	..	1,000	Mill destroyed by fire on 1st June 1926.
Messrs. Sukhanram Todaram, Proprietors, Office on Mill premises.	Jagadhri, Old Goonery Road, Jagadhri, Punjab.	..	..	..	....	..	17,412	17,412	17,052	..	..	1,098	740	
Messrs. Kettlewell, Bullen & Co., Secretaries, 21, Strand Road, Calcutta.	Goonery, Saliha, P. O. Howrah District.	..	..	..	....	..	12,996	12,996	11,475	..	..	1,320	650	Mill under spinning & weaving destroyed by fire on 17-6-1924.
				Total	2,13,04,372	23,124	1,24,600	1,47,724	1,03,860	2,296	1,668	16,024	5,025	
Messrs. Hargovindmal Mathradas, Owners, 79, Cotton Street, Calcutta.	Grand Trunk Road, Jullundur (Punjab).	....	..	..	....	13,452	6,630	20,082	20,082	252	252	2,201	798	
Messrs. Birla Bros., Ltd., Agents, 157, Canning Street, Calcutta.	Shahdara, Delhi	1,50,000	10	10	13,75,000	..	13,500	13,500	11,772	402	300	3,772	938	
Messrs. Dalhousie Harmonial Metal, Proprietors, 31, Cotton Street, Calcutta.	....	....	..	..	....	2,240	10,752	12,992	6,552	182	112	1,313	472	
Messrs. Lala Kishan Mohanlal Bros., Proprietors, Office on Mill premises.	Grand Trunk Road, Delhi	40,000	25	25	10,00,000	10,000	31,824	41,824	40,584	1,164	1,160	10,000	2,350	
Messrs. Jawahir Singh Sundarsingh, Proprietors, Office on Mill premises.	Cawnpore, Cawnpore, Assamtsar, Punjab.	....	..	..	....	6,432	3,432	13,392	8,000	200	..	442	200	Mill Not destroyed by fire on 1st June 1926 Looms not working.
Messrs. Parmanand Harbansmal, Mg. Agents, Shakta Pradesh, Delhi.	Grand Trunk Road, Delhi	....	..	100	9,98,200	..	..	..	..	..	..	..	273	
Messrs. Sirdar Singh & Sirdh Lakhmichand Jagdesh, Private Owners, Jullundur, Punjab.	Jullundur, Delhi	....	..	..	....	3,472	2,712	6,184	5,984	132	132	1,320	660	
Messrs. Sir Ganesh Das & Sons, Owners, Lahore.	Multan Road, Lahore	....	..	..	....	7,000	9,000	16,000	..	..	..	..	..	Mill not working.
				Total	51,73,200	47,596	91,900	1,39,496	1,09,874	2,332	2,156	20,048	5,691	
Messrs. K. Ganesh Babu, Managing Agent, Office on Mill premises.	Opp. Ghat, Agra, U. P.	4,063	100	100	4,06,300	13,992	..	13,992	13,992	..	..	2,992	596	
Do. Do. Do.	Jalsi-ka-Bagh, Agra	Ord. 3,00,000	10	10	17,50,000	10,300	..	10,300	13,320	..	..	3,138	560	
		Pref. 50,000	100	100	47,48,100	24,024	..	24,024	19,452	..	..	5,000	480	
												8,752	1,040	
Messrs. Atherton West & Co., Ltd., Agents, Office on Mill premises.	Anwargunj, Cawnpore	....	..	..	....	..	20,412	20,412	20,412	300	300	3,300	800	
Messrs. Sital Prasad Sharag Prasad, Mg. Agents, Office on Mill premises.	Chowbaghad, Benares Cantonment	Pref. 1,680	100	100	31,57,780	432	14,400	14,832	14,472	432	432	3,720	630	
Messrs. Dinesh Trade Corporation, Ltd., Owners, Flat Don No. 3, Cawnpore.	Cawnpore, Cawnpore. Jubi, Cawnpore.	Ord. 44,1,250	10	10	....	12,432	12,852	25,284	24,840	672	672	5,814	1,200	
Messrs. Begg Sutherland & Co., Ltd., Secretaries, Treasurers and Agents, Cotton Merchants, Victoria Road, Civil Lines, Sir Ramchandra Building, Jhingistan, G. T.	Singhghar, Cawnpore	6,34,162	7-8	7-8	19,06,251	13,896	24,192	38,088	29,160	..	..	4,100	500	
Messrs. Begg Sutherland & Co., Ltd., Secretaries, Treasurers and Agents, Cotton Merchants, Victoria Road, Civil Lines, Sir Ramchandra Building, Jhingistan, G. T.	Cawnpore	32,000	100	100	32,00,000	40,032	18,396	58,428	56,412	1,512	1,392	10,450	3,150	
Messrs. Kanajiram, Mg. Director, Cawnpore.	Anwargunj, Jubi, Cawnpore	....	..	..	27,00,000	..	41,688	41,688	40,860	1,200	1,200	3,102	1,300	
Messrs. Bagley Ltd., Proprietor, Office on Mill premises.	Allahbad Gate, Hathras City, Aligarh District.	....	..	..	....	13,560	7,224	20,664	20,000	..	..	4,812	643	
Messrs. Jagat Harnarain Ltd. Mill, Secretary, Office on Mill premises.	Mumalabad, U. P.	833	300	300	2,49,900	10,080	..	10,080	10,000	..	..	2,496	310	
Messrs. Thomas Smith, Ltd., Managing Director, Cawnpore.	Cawnpore	Ord. 30,000	50	50	30,00,000	34,792	23,412	58,204	56,161	1,536	1,434	12,600	2,997	
Messrs. Mannalal & Co., Owners, Mumalabad, Cawnpore.	Mumalabad P. O. (Dist. Cawnpore)	Pref. 30,000	50	50	....	2,600	..	2,600	2,600	..	..	..	300	Mill not working.
Messrs. Hastanmulam, Panchmukhi Lal Mill Street, Cawnpore.	Hathras City, Aligarh Dist.	....	..	..	....	11,424	1,260	12,684	12,684	..	..	2,463	400	Looms boxes in course of erection.
Messrs. Jagannath Agarwala & Co., Owners, Kanpur.	....	....	..	..	....	..	..	..	..	..	..	..	..	

	Press Cotton and Silk Manufacturing Co., Ltd.)	House Road, Fort, Bombay.																			
79.	‡ § Rajkot State Cotton Mills	Mr. Girdhardas K. Udesh, Manager, Office on Mill premises.	Karamshi Cross Road, Karanpura, Rajkot, (Kathiawar)	....	..	..	....	..	7,200	7,200	..	143	90	..	..	100						
80.	Rajnagar Spinning, Weaving & Mfg. Co., Ltd., No. 1	Mr. Mangaldas Girdhardas Parekh, Secretary, Treasurer and Agent, Office on Mill premises.	Gomtipur Road, Railway para Post, Ahmedabad.	4,800	125	125	5,99,750	..	19,770	19,770	18,737	328	302	..	4,336	866	10th August 1923 Machinery of No. 2 Mill shifted to No. 3 Mill in 1923					
81.	Do. do. do. do. No. 2							..	....	....	....	....	....	....		....					
82.	Do. do. do. do. No. 3							..	25,864	25,864	24,091	644	624			1,034					
83.	Rajpur Mills Co., Ltd.			2,400	125	125	2,00,000	..	....	....	....	192	180	..	..	256						
84.	‡ Rajratna Narashinai Mills Co., Ltd.	Messrs. Ramanlal Keshavlal & Co., Agents, Office on Mill premises.	Gomtipur Road, Railway para Post, Ahmedabad.	2,400	125	125	2,00,000	..	....	....	....	192	180	..	..	256						
85.	Rustom Jehangir Vakil Mills Co., Ltd., ...	Messrs. Ramanlal Keshavlal & Co., Agents, Office on Mill premises.	Petlad (Baroda)	13,000	100	100	14,46,179	..	18,560	18,560	18,011	..	..	3,274		540						
86.	Sarangpur Cotton Manufacturing Co., Ltd. ..	Messrs. Rustomji Mandal & Co., Secretaries, Treasurers, and Agents, Offices on Mill premises.	Outside Delhi Gate, Ahmedabad.	....	..	..	40,000	..	....	....	....	10	10	..	..	22						
87.	Sarangpur Manufacturing Co., Ltd.	Messrs. Sakarlal Balabhai & Co., Agents, Office on Mill premises.	Outside Raipur Gate, Kankaria Road, Ahmedabad.	464	1,000	1,000	4,64,000	..	27,080	27,080	26,370	379	502	3,490		1,139						
88.	Sarasvati Ginning and Mfg. Co., Ltd. (formerly Mofussil Cotton Manufacturing Co., Ltd.) ..	Mr. Kasturbhai Lalbhai, Esq., Temporary Manager, Office on Mill premises.	Near Sarangpur Gate, Ahmedabad.	6,000	100	100	6,00,000	..	33,824	33,824	30,340	638	631	4,123		1,171						
		Messrs. Sukhlal Karamchand & Co., Agents, Office on Mill premises.	Broach	20,111	100	100	26,11,100	3,744	14,730	18,474	17,822	449	418	2,077		891						
		Lady Sulochana Chimanbhai & Co., Secs., Treasurers and Agents, Lal Bungalow, near Rokadia Hanuman, Shahpur, Ahmedabad.																			
89.	Sholapur Spinning and Weaving Co., Ltd. ..	Messrs. Morarjee Goculdas & Co., Agents, Sudama House, Sprott Road, Ballard Estate, Fort, Bombay.	Station Road, Sholapur ..	800	1,000	1,000	8,00,000	11,320	1,00,588	1,11,908	1,09,960	2,208	2,107	15,435	6,973							
90.	Shorrock Spinning and Manufacturing Co., Ltd.	Messrs. Mafatlal Chunilal & Co., Agents, Asarva Road, Railwaypura Post, Ahmedabad.	Asarva Road, Ahmedabad	{ Ord.	325	1,000	1,000	3,25,000	..	27,120	27,120	26,712	663	644	2,330	1,066						
				{ Foun.	100	25	25	2,500													
91.	Shri Ambica Mills, Ltd.	Messrs. Harivallabhdas Kalidas & Co., Office on Mill premises.	Kankaria Loco Siding, Ry. Pura, Ahmedabad.	2,500	100	100	2,50,000	..	....	....	....	256	190	..	..	242						
92.	‡ § Shri Gajanan Weaving Mills	Mr. V. R. Velankar, Managing Proprietor, Office on Mill premises.	Sudampuri, Sangli, S. M. Country	....	..	..	70,000	..	....	....	....	59	72	..	..	88						
93.	Shri Laxmi Narayan Mills of the New Ginning, Pressing & Manufacturing Co., Ltd.	Sheth Narayan Bankut Bendelkandi, Managing Agent, Office on Mill premises.	Chalisgaon, East Khandesh	20,000	100	100	18,92,850	..	10,570	10,570	10,300	282	250	2,134		600						
94.	Shri Laxmi Weaving and Manufacturing Co., Ltd.	Messrs. Manubar & Co., Agents, Office on Mill premises.	Rajpur, Gomtipur Road, Ahmedabad.	3,422	50	50	20,700	..	....	....	....	178	156	..	..	136						
95.	Shrinagar Weaving and Manufacturing Co., Ltd.	Messrs. Govindas Mancklal & Co., Agents, Office and Mill premises.	Near New Railway Overbridge, Ahmedabad.	3,600	100	100	5,20,639	..	11,960	11,960	9,900	462	342	1,231		450						
96.	‡ Shree Sayaji Jubilee Cotton and Jute Mills Co., Ltd.	Messrs. Prahladji Sevakram & Co., Agents, opposite Station, Sidhpur (R.-M. Ry.)	Sidhpur (R.-M. Railway) opp. Ry. Stn.	5,211	100	100	5,21,100	..	12,850	12,850	11,684	320	303	1,728		631						
97.	§ Shri Sayaji Mills Co., Ltd.	Messrs. Samuel Sheriar & Co., (P. O. Box 29), Baroda.	Near Old Railway Station, Baroda.	{	525	1,000	1,000	6,09,600	..	16,640	16,640	16,000	368	360	1,400	604						
				{	840	100	100														
98.	‡ § Shri Shahu Chhatrapati Mills	H. H. The Chhatrapati Maharaja Saheb of Kolhapur, Owner, Shahupuri, Kolhapur.	Shahupuri, Kolhapur, S. M. C.	....	..	..	....	442	14,972	15,414	12,731	710	562	2,197		573						
99.	Shri Vivekanand Mills, Ltd.	Messrs. Nanubhai Mancklal & Co., Agents, Gomtipur Road, Ahmedabad.	Gomtipur Road, Ahmedabad.	3,194	125	125	3,98,575	..	....	....	....	224	210	..	..	211						
100.	§ Sidhpur Mills Co., Ltd.	Messrs. Mangaldas Parbhodas & Co., Agents, Office on Mill premises.	Sidhpur	5,000	100	100	4,98,073	..	19,178	19,178	19,178	..	..	3,517		484						
101.	Silver Cotton Mills Co., Ltd.	Messrs. Gopalbhai Balabhai & Co., Secs., Treasurers and Agents, Office on Mill premises.	Outside Raipur Gate, Ahmedabad.	3,840	250	250	9,60,000	..	19,036	19,036	18,476	..	..	2,564	300	357 Looms in course of erection.						
102.	Surat Cotton Spinning and Weaving Mills, Ltd.	Mr. Mafatlal Gagalbhai, Managing Director, 29, Churchgate Street, Fort, Bombay.	Begumwadi, Surat ..	3,000	1,000	1,000	30,00,000	..	14,112	14,112	14,000	408	396	1,110		763						
103.	Surat Industrial Mills Co., Ltd. (In Liquidation)	Messrs. Thakorlal Jivatram Mehta and Vaudrazand C. Jadav, Official Liquidators, Kotwali Street, Surat.	Sahara Gate, Surat ..	2,400	500	500	12,00,000	..	....	....	....	422	..	..	..	....	Not working.					
104.	† Surat Weaving Mills, Limited	Messrs. M. N. Hathikhoy & Co., Secs., Treas. & Agts., Office on Mill premises.	Surat	3,000	100	100	3,00,000	..	....	....	....	220	..	..	..	....	Mill not working from October 1923. Mill not working.					
105.	‡ Suryapur Mills Co., Ltd.	Messrs. Madhavje Thackersey & Co., Proprietors, 19/21, Picket Cross Road, off Princess Street, Bombay.	Varachha Road, Surat ..	....	..	..	....	..	....	....	....	379	..	..	..	....						
106.	Tikekar Textile Mill Ltd.	Mr. L. V. Tikekar, Secretary, Office on Mill premises	Tikekerwadi, Sholapur Dt.	2,000	100	100	72,000	..	....	....	....	21	11	..	..	38						
107.	† Universal Cotton Mills Co., Ltd. (formerly Ahmedabad Silk and Cotton Mfg. Co., Ltd.)	Messrs. U. P. Mamlatdar and H. D. Saheba, Legadators, Desai Pole, Khadia, Ahmedabad.	Raipur, Near Kach Masjid, Ahmedabad.	{ Pref.	6,000	100	100	20,20,000	..	....	....	....	260	..	..	..	190	In liquidation not working.					
				{ Ord.	6,000	100	70														
108.	‡ Valabh Weaving Mills Co.	Messrs. Chhaganlal Zaverdas, Proprietors, Office on Mill Premises.	Gomtipur Road, Ahmedabad.	....	..	..	....	..	....	....	....	40	42	..	..	40						
109.	‡ Vijay Weaving Works	Messrs. Shah Madhavlal, Owners, Randa Bazar, Cross Lane, Railwaypura post, Ahmedabad.	Shahpur, Ahmedabad ..	....	..	..	....	..	....	....	....	20	5	..	..	5						
110.	† Viramgaum Alfred Mills Co., Ltd.	Messrs. Ratilal Vathalal & Bros., Agents to the Official Liquidator, Office on Mill premises.	Fulwadi Road, Veeramgaum.	1,100	500	500	5,50,000	..	20,060	20,060	16,344	364	433	2,030		807	In liquidation.					
111.	Viramgaum Spinning and Manufacturing Co., Ltd.	Messrs. Chunilal Kushaldas & Co., Agents to the Official Liquidator, Office on Mill premises.	Near Railway Station, Viramgaum.	{ Old.	800	500	500	6,00,000	..	22,512	22,512	22,500	503	533	2,870	1,163	In liquidation.					
				{ New	800	250	250														
				{ Ord.	3,200	500	500														
112.	Vishnu Cotton Mill, Ltd.	The Bombay Co., Ltd., Secretaries, Treasurers and Agents, 9, Wallace Street, Fort, Bombay.	Sholapur	{ Pref.	1,600	500	500	24,00,000	..	48,308	48,308	47,782	1,254	1,246	9,014	3,620						
113.	‡ § Vyankatesh Rangatantu Mills	Mr. V. K. Datar, Owner, Office on Mill premises.	Sechalkaranji, S. M. C. ..	....	..	..	60,000	..	....	....	....	39	30	..	..	70						
114.	§ Wadhwan Camp Mills	N. H. Moos, Esq., Official Receiver, Wadhwan Civil Station.	Wadhwan Civil Station (Kathiawar).	....	..	..	....	623	12,700	13,323	13,277	293	198	2,388		580						
115.	Whittle Spinning and Manufacturing Co., Ltd., No. 1	Messrs. Ramanlal Lallubhai & Bros., Agents to the Official Liquidator, Office on Mill premises.	White Road, Broach ..	..	..	..	..	..	19,008	19,008	18,472	..	..	1,871		436						
116.	Do. do. do. do. .. 2			1,600	500	500	8,00,000	14,744	6,268	20,932	15,385	..	..	855		262	In liquidation.					
117.	Do. do. do. do. .. 3			..	..	..	..	..	..	..	..	..	..	..		538						
						Total ..		82,471	13,32,714	23,94,185	21,55,092	48,04	43,809	2,81,253	1,03,062							

† Statement not received. Figures taken from last year's statement.

‡ Proprietary Concern.

§ Native States and Foreign Territory.

‡ This does not include the figures for 40 Mills which

Note.—This statement does not contain names of wea

G. Claridge & Co., Ltd. Bombay.

19. Prem Spinning and Weaving Mills Co., Ltd. ..
20. Raichand Gursahaimal Cotton Mills Co., Ltd. ..
21. † Shri Gangajee Cotton Mills Co., Ltd. ..
22. Shri Radhakrishan Mills ..
23. Swadeshi Cotton Mills Co., Ltd. ..
24. Tulsidas Teljval Mills, Ltd. (formerly Phoolchand Bagla Spinning Mills Co.)

MADRAS PRESIDENCY.

1. Beezada Spinning and Weaving Mills, Ltd. ..
2. Buckingham Mill Co., Ltd. ..
3. Carnatic Mill Co., Ltd. ..
4. Coimbatore Mall Mills Co., Ltd. ..
5. Coimbatore Spinning and Weaving Co., Ltd. ..
6. † Commonwealth Trust, Ltd., Cannanore Weaving Works.
7. Kaleeswarar Mills, Ltd. ..
8. Madura Mills Co., Ltd. Madura ..
9. Madura Mills Co., Ltd., Tuticorin (formerly, Coral Mills Co., Ltd.
10. Do. do. do. Ambasamudram (formerly Tinnevelly Mills Co., Ltd.)
11. Madras United Spinning and Wvg. Mills Co., Ltd. ..
12. Malabar Spinning and Weaving Co., Ltd. ..
13. ‡ Malabar Weaving Co. ..
14. Pandyan Mill Co., Ltd. ..
15. Radhakrishna Mills, Ltd. ..
16. Sitaram S. & W. Mills, Ltd. ..
17. † Somasundaram Mills, Ltd. (formerly A. R. A. R. S. M. Spinning Mills.)
18. Sree Meenakshi Mills, Ltd. ..
19. Sri Ranga Vilas Ginning, Spg. & Wvg. Mills Ltd. ..
20. Sri Suryanarayana Spg. & Wvg. Mill ..
21. Tinnevelly Textiles, Ltd., (formerly Sri Chidambara Vinayaker Mills, Ltd.)

MYSORE.

1. † § Bangalore Woollen, Cotton and Silk Mills Co., Ltd. ..
2. § Bangalore Spg. & Wvg. Mills, Ltd. ..
3. § Minerva Mills Co., Ltd. ..
4. § Mysore Spinning and Manufacturing Co., Ltd. ..
5. § Sri Krishna Rajendra Mills, Ltd. ..

PONDICHERRY.

1. § Anglo-French Textile Co., Ltd. (Rodier Mill) ..
2. ‡ † Etablishment Textile De Modaliarpeth S.A., Successors De Filatures Et Tissags Gasbele (formerly The Pondicherry Cotton Mills, Ltd. ..
3. § Savana Societ Anonyme de filature Tissage Mecanique.

BURMA.

1. Burma Spinning and Weaving, Co., Ltd. ..

CEYLON.

1. Ceylon Spinning and Weaving Co., Ltd. ..

M. Sc., M.L.C., Managing Directors, Post Box No. 46, Cawnpore.	Gwaltoli, Cawnpore ..					£1,35,00,000	66,792	37,528	104,320	102,745	1,501	1,326	13,558	3,553	
essrs. Kripararam, Brijlal, Agents, Ujhani, U. P.	Ujhani (District Badaun) ..	Pref. 5,50,000	10	10		23,20,267	..	13,488	15,488	15,488	..	..	6,727	475	
R. Khanna, Esq., Managing Director, Lucknow.	Talkatora, Lucknow ..	Ord. 50,000 Pref. 32,000 Defd. 8,000	10	10		8,95,185	..	17,888	17,888	17,888	..	..	2,471	550	
th Sewakram Mannalal, Managing Director, Mirzapur, U. P.	Natwa, Mirzapore, U. P. ..	4,746	100	100		4,74,600	6,015	8,152	14,167	6,908	150	..	998	311	Not working.
ibu Kishanprasad (Owner), Office on Mill premises.	Nar Ghat, Mirzapur ..	....	..	..		1,14,937	..	.	..	..	60	25	..	50	
. Horsman, Esq., Managing Director, Post Box No. 19, Cawnpore.	Juhi, Cawnpore	32,000	100	100		32,00,000	1,060	40,000	41,060	38,000	819	790	7,221	1,541	
essrs. Chotalal Jagjiwan & Co., Agents, Allahabad Bank Building, 70, Apollo Street, Fort, Bombay.	Kashjung Road, Hathras City, U. P.	40,000	50	50		13,50,000	750	12,500	13,250	..	..	..	..	..	Mill not working.
				Total ..		4,41,44,886	3,52,041	2,94,136	6,46,177	6,09,269	8,258	7,127	1,07,380	23,041	
r. G. Lakshmanarao Pantulu, Managing Agent and Director, Main Canal Road, Bezwada.	Tadepalli, Guntur Dist. ..	1,00,000	20	20		2,58,060	..	..	..	...	100	24	..	44	Started work only in July 1927.
essrs. Binny & Co. (Madras), Ltd., Managing Agents, 7, Armenian Street, Madras.	Perambore, Madras ..	Ord. 2,00,000 Sub. 89,209	100	100		1,10,50,900	..	47,232	47,232	45,165	1,279	1,234	11,912	4,661	
essrs. Binny & Co., Ltd., Managing Agents, 7, Armenian Street, Madras.	Do. do. ..	Pref. 50,000 Sub. 21,300	7-8	7-8			..	48,052	48,052	47,317	1,332	1,330	11,018	4,812	
essrs. T. Stanes & Co., Ltd., Managing Agents, Race Course, Coimbatore.	Coimbatore Town, Anuperpalayam.	8,314	85	85		7,06,690	..	4,676	4,676	4,676	393	370	682	711	
essrs. T. Stanes & Co., Ltd., Agents and Secretaries, Race Course, Coimbatore.	270, Mill Road, Coimbatore	12,000	100	100		12,00,000	..	57,832	57,832	56,793	302	297	9,203	2,100	
. H. Hodgson, General Manager, The Commonwealth Trust, Ltd., Calicut.	Cannanore	60,000	£1	£1		£81,643 1s. 4d. Ex Rs. 7,74,645	..	..	..	..	219	100	..	260	
ewan Bahadur P. Somasundaram Chettiar, Local Agent, Office on Mill premises.	Anuperpalayam, Coimbatore.	6,500	10	100		6,50,000	..	25,968	25,968	20,566	198	179	4,579	1,259	
Messrs. A. & F. Harvey, Managers, Tuticorin.	Madura .. .. .. Tuticorin .. .. Ambasamudram ..	70,600	100	100		70,58,550	.. .. ..	2,01,756 53,768 43,076	2,01,756 53,768 43,076	2,00,440 50,772 42,971	.. .. ..	.. .. ..	27,454 6,893 6,984	6,695 1,765 1,566	
essrs. Karsondass Mulji Jaitha & Co., Secretaries & Treasurers, 346, Standard Buildings, Hornby Road, Fort, Bombay.	De'Mellows Road, Choolai, Madras.	2,002	250	250		5,00,500	..	39,804	39,804	39,525	466	447	4,949	1,926	
r. A. L. A. R. Somasundaram Chettiar, Agent. Kallai, (Malabar.)	Kallai, Malabar	3,000	200	200		6,00,000	..	17,696	17,696	17,696	..	..	3,005	650	
r. A. T. Christian, Owner, Cannanore.	Cannanore	....	..	..		....	..	300	300	150	10	10	28	80	
he Madura Industrials Ltd., Agents, Office on Mill premises.	Madura East.	15,194	100	100		11,79,557	..	7,832	7,832	7 000	..	..	411	275	
essrs. A. G. Guruswanu Naidu & Co., Mg. Agents, Peelamedu, Sowripalayam Post, Coimbatore.	Peelamedu, Coimbatore ..	20,000	100	..		8,29,323	..	14,760	14,760	14,760	..	..	2,992	517	
essrs. T. R. Ananthrama Iyer & Bros. Ltd., Managing Agents, Trichur Post, (Cochin State, Malabar Coast.)	Trichur, Cochin State, Malabar Coast	Ord. 19,000 Pref. 4,000	100 25	100 25		12,96,435	..	10,128	10,128	10,000	303	261	1,659	880	
omasundaram Mill Ltd., Office on Mill premises.	45, Barracks Road, Vepery, Madras.	14,400	100	100		10,75,000	..	10,400	10,400	..	..	..	..	..	Mill not working. In Voluntary Liquidation.
Messrs. Thiagaraja Chetty & Co., Managing Agents, Office on Mill premises	Thirupparankunrum Road, Madura	1,25,000	20	15		11,50,590	..	10,240	10,240	5,420	..	..	375	185	Started work on 4th May 1927.
Messrs. P. S. Govindaswami Naidu & Sons, Mg. Agents, Office on Mill premises.	Peelamedu, Coimbatore ..	15,02,500	100	100		15,02,500	468	28,192	28,660	27,690	..	..	4,417	910	
Ir. Vanka Venkataratnam, Manager and Treasurer, Office on Mill premises.	Pandalapaka, Godavary District.	9,971	25	25		2,49,275	..	2,736	2,736	2,700	..	..	149	101	
Kunwar Ganesh Sinha Esq., B. A. Managing Agent, 8, Ramkumar Rakhit Lane, Calcutta.	Kovilpatti, Tinnevelly District.	Ord. 1,00,000 Pref. 5,000	10 100	10 100		15,00,000	..	18,160	18,160	16,884	..	..	1,909	719	
				Total ..		3,15,82,025	468	6,42,608	6,43,076	6,10,525	4,602	4,252	98,619	30,116	
Messrs. Binny & Co. (Madras), Ltd., Agents, Secretaries and Treasurers, 7, Armenian Street, Madras.	Agraram Road, Bangalore City.	26,250	100	100		26,25,000	..	40,000	40,000	40,000	1,000	1,000	4,683	3,500	
Messrs. C. H. Sastri & Sons, Bangalore City.	Yeswantapur, Bangalore City.	2,577	100	100		1,95,464	..	..	..	..	120	..	..	..	In liquidation. Not working.
Messrs. N. Sirur & Co., Mg. Agents, 19, Bank Street, Fort, Bombay.	Bangalore	24,498	100	80		19,37,758	..	21,216	21,216	20,873	220	107	3,374	1,054	6,400 Additional Ring spindles in course of erection.
Messrs. N. Sirur & Co., Agents, Henshaw's Bldg., Bank Street, Fort, Bombay.	Tumkur Road, Malleshwaram, Bangalore City.	23,855	50	50		11,94,160	..	39,400	39,400	38,235	500	479	5,985	2,087	
Messrs. M. L. Vardhmania & Co., Managing Agents, Lakshmi Buildings, Post Box No. 101, Statue Square, Mysore.	Shiddalingapore, Mysore ..	80,000	50	50		18,98,075	..	26,124	26,124	22,270	..	..	4,308	895	
				Total ..		78,50,457	..	1,26,470	1,26,470	1,21,378	1,840	1,586	18,350	7,536	
Messrs. Best & Co., Ltd., Agents & Managers, Post Box No. 36, Madras.	Pondicherry	Pref. 5,658 £ 10 Ord. 1,00,000 £ 1		56,580 1,00,000		£ 1,56,580 1s. 4d. Ex. Rs.23,48,700	..	42,944	42,944	34,126	883	460	5,189	3,050	
Monsieur Albert Gaebele, Proprietor, Pondicherry.	Mudeliarpet, Pondicherry.	10,000	100	100		10,00,000	..	7,608	7,608	..	242	..	1,324	..	
Mr. Charles Goudey, Manager, Pondicherry.	Savana (Inde-française), Pondicherry.	12,000	Fcs. 500	Fcs. 500 @1·75		Fcs. 60,00,000 Ex. Rs. 34,27,500	500	19,500	20,000	19,500	515	500	2,900	1,700	
				Total ..		67,76,200	500	70,052	70,552	53,626	1,640	960	9,413	4,750	
U. Shwe Tha, General Manager, Office on Mill premises.	Myingyan, (Upper Burma).	29,97,600	10	10		10,86,090	..	9,920	9,920	..	..	..	..	..	Mill closed from the beginning of the year.
				Total ..		10,86,090	..	9,920	9,920	..	..	..	..	..	
			GRAND	TOTAL ..		‡46,60,11,070	9,49,212	77,53,548	87,02,760	75,21,636	1,01,952	1,46,200	12,08,706	3,84,623	
Messrs. Currimbhoy Ebrahim & Sons, Ltd., Agents, 12-14, Outram Rd., Fort, Bombay.	Havelock Road, Wellawatte, Colombo, Ceylon.	12,000	100	100		11,95,125	468	15,872	16,340	15,900	538	520	2,791	1,210	

ade no returns as to Capital; of these 27 are proprietary concerns.

ing mills having less than 20 looms.

T. MALONEY, *Secretary.*

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